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East Europe Report

ECONOMIC AND INDUSTRIAL AFFAIRS

No. 2244



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MAJOR INDUSTRIAL CONSTRUCTION PROJECTS FOR 1982 LISTED

Sofia STROITEL in Bulgarian 27 Jan 82 p 1

[Article: "Especially Important Projects in 1982"]

[Text] Kozloduy Atomic Power Plant—reactor V and VI; Maritsa-East 2 Thermoelectric Power Plant: modernization, reconstruction and expansion.

Ruse Heavy Machine-Building Combine.

Radomir Heavy Machine-Building Combine.

Blagoy Popov Production Complex—Pernik.

Chavdar Bus Combine—Botevgrad.

Chemical Machine-Building Plant—Khaskovo.

Steel Foundry—city of Rakovski.

Madara Truck Combine—Shumen.

Vasil Kolarov Diesel Engine Combine—Varna.

Computer Store Plant—Stara Zagora.

Magnetic Disc Plant—Pazardzhik.

Printed Circuit Board Plant—Ruse, Byala branch.

Burgas Petrochemical Economic Combine: vacuum distillation with thermal cracking, catalytic cracking, ethylene oxide and ethylene glycol.

Konstantin Rusinov Rubber Plant—Pazardzhik.

Dimitrovgrad Economic Chemical Combine: sulfuric acid and triple superphosphate plant; reconstruction and modernization of ammonia plant.

Reconstruction of ammonia and carbamide plant--Vratsa.

Kremikovtsi Economic Metallurgical Combine: concentration plant and reconstruction of tailings dump; coal-tar chemical plant--Coke Battery No. 4 with installation for dry casting; hot rolling shop; Mill 1150--modernization and reconstruction; cold rolling shop; continuous etcher--2; environmental protection.

Lenin Economic Metallurgical Combine--Pernik: electric steel-producing shop; rolling shop--mill 500.

Georgi Damyanov Copper-Producing Combine--Srednogorie: modernization, reconstruction and expansion--stage II.

Asarel Mining and Concentration Combine.

Elatzite Mining and Concentration Combine.

Burgas Economic Metallurgical Combine: mill 300.

Vegetable Storehouse--Sofia.

Milling Combine--Sofia.

Glazed Pottery Works--Isperikh.

Ninth of September Furriery--Ruse.

"Trakiya" [Thrace] Cardboard, Corrugated Cardboard and Packaging Combine--Pazardzhik.

Silistra Lumber Industry Combine: paper mill.

Vratsa Water Supply--Mikhaylovgrad: Srechenska Brooklet dam.

Water Supply of Maritsa-East Complex.

Sofia Wastewater Treatment Station.

6474

CSO: 2200/59

INEFFICIENT POWER GENERATION, CONSUMPTION, CRITICIZED

Sofia POGLED in Bulgarian 1 Feb 82 p 3

[Article by Barukh Shamliiev: "Everybody's Responsibility for a Drop of Fuel"]

[Text] The era of cheap energy and raw materials is over. But it is not just expensive fuel that necessitates economies. Bulgaria can no longer permit itself the luxury of spending a great part of its foreign-exchange revenues for fuel imports. Therefore, the establishment of an economical economy is no campaign, but a constant goal.

The electrification of the country was a great feat of our people. In little more than 3 decades we have traveled the difficult path from the production of a paltry 311 million kilowatt-hours in 1944 to about 32 billion today.

We were first in the Balkans to cross the threshold of the atomic energy era and in the percentage of energy produced by these power plants we rank among the foremost in Europe.

The level of power consumption is one of the most serious factors in the technological conditions of industry and of the entire national economy, while the ratio of electric power available per worker is perhaps the most important factor in high social productivity. But agreement with these elementary truths is far from meaning that absolute power consumption is always substantiated and rational. Technical progress, as a rule, leads to a relative reduction of power consumption.

Truth to tell, in recent years much has been done to bring about wholehearted economies in the country.

In consequence of the measures that have been taken, as was emphasized at the Twelfth Party Congress, the average annual increase of power consumption declined from 5.5 percent in the Sixth Five-Year Plan to 2.9 percent in the Seventh. Power's share of the national income decreased about 12 percent.

Hitting the consumer in the pocket, these measures aimed at eliminating the waste of power.

Difficulties

The establishment of an economical economy also necessitates technological and technical measures that will make possible the production of power-economizing products, and requires structural, sectorial and technological changes resulting in power saving. This applies first and foremost to large power consumers (metallurgy, chemicals and transportation, anything involving a great deal of capital investment) and, not last, to the mass-scale and accelerated introduction of electronics and automation, which as a rule are more frugal power consumers.

The Twelfth Party Congress gave a fundamentally new interpretation of this question, namely, not to economize at all, but to catch up with the most advanced countries in the area of interest to us and, what is still more important, there should be a relative breach of the association between the growth of national income and the growth of power consumption. The problem is to reduce the amount of energy per unit of output on the basis of technical progress.

Unfortunately, we are still far from this cherished goal. We consume more grams of comparison fuel than Hungary, the GDR and the USSR to produce 1 kilowatt-hour at the thermoelectric power plants. By multiplying the grams times the billions of kilowatt-hours we shall obtain what our overexpenditure is per unit of work in the production of power by the thermoelectric power plants. Coke consumption to produce 1 ton of pig iron and thermal energy consumption to produce 1 ton of finished rolled products in our country are also higher than in some economically developed countries.

The first conclusion from these examples confirms that we are not only inefficient producers, but also indirect exporters of electrical power. Thus we are plundering ourselves. Other conditions being equal, the higher prime cost of part of our output is due to the higher consumption of power and raw materials in its production. It is no accident that Comrade Todor Zhivkov declared at the Twelfth Congress, "Costs for the production and processing of raw and other materials are increasing. If we continue to follow the present course, we shall not sharply increase the social productivity of labor or achieve high efficiency and high quality; we shall not prove equal to our task of raising the standard of living."

Consequently, the watchword is economies. Well-founded and reasonable economies everywhere and in everything.

Prospects

The economy campaign must be turned into a genuinely wholehearted movement of the entire people. It must be tied in still more closely and precisely not only with the enthusiasm, but also with the financial interest of the working people. The changeover of economic units, including brigades, to profit-and-loss accounting and self-support in accordance with the new economic approach makes it imperative that they be equipped with control and measuring instruments to note the energy consumed. True, this will take money, but science has established that the savings, once the money is spent for such rationalization, are 20 to 30 percent higher than the amounts constantly paid out because of unmonitored energy consumption.

A not inconsiderable potential reserve for providing Bulgaria with energy sources is socialist economic integration. The current long-term specifically targeted program of cooperation for solution of the energy and raw-materials problem among the CEMA countries is discovering firm prospects for the solution of this vital problem. We do not possess substantial fuel reserves. That is precisely why we compensate for the nonuniform distribution of energy and raw-materials reserves by expanding socialist international division of labor and integration on the basis of solidarity.

The important thing is that the energy and raw-materials problem should be solved comprehensively, that other sectors such as machine building should be enlisted in the solutions that are sought. This is coordinated strategy. Its emphasis is placed, not on the further extensive increasing of production, but on the rational use of resources, especially our own.

The long-term specifically-targeted program of cooperation anticipates the maximum development of atomic energy and, not last, of atomic machine building. A multi-lateral agreement has been signed whereby 50 large industrial enterprises and trusts of the seven European socialist countries--CEMA members and Yugoslavia--are participating in the production and supply of machinery and equipment for atomic power plants. By the end of the decade, new 37-million-kilowatt capacities will be put into operation in the CEMA-member countries, which will make possible the saving of about 70 million tons of comparison fuel. Moreover, mighty hydroelectric power plants are under construction or are to be built on the Danube River in cooperation between Czechoslovakia and Hungary, between Yugoslavia and Romania, and between Bulgaria and Romania.

A mark of socialist solidarity on the part of the Soviet Union is its proposal that highly energy-intensive production processes be transferred to its territory, which has vast resources of energy and raw materials, while subsequent processing be done by way of cooperative effort in individual CEMA-member countries.

The long-term specifically targeted program also provides for the gasification of coal--especially of low-calorie coal, which is of great interest to us.

The economical economy requires technical and psychological adjustment by everybody because there is no sector of the economy where energy is not employed. A long and difficult path will have to be traveled. It is precisely this fact that requires talent and labor to be gathered into one hand so that this path can be traveled painlessly and successfully.

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CSO: 2200/59

TRANSPORTATION FIVE-YEAR PLAN FULFILLMENT EVALUATED

Prague DOPRAVA in Czech No 4, 1981 pp 290-297

[Article by Jaroslav Houska: "Fulfillment of the Tasks of the Sixth Five-Year Plan in Transportation Evaluated"]

[Text] Implementation of the decisions stemming from the 15th CPCZ Congress brought to light the important role of transportation in the national economy. Its great impact on the fulfillment of our society's needs and its vital share in the systematic development of all branches of the national economy were demonstrated.

The directive for the Sixth Five-Year Plan assigned to transportation the task of increasing before 1980 the volume of freight transport by 23-25 percent above 1975 and of passenger transport (including municipal mass transit) by 10 to 12 percent by coordinated use of individual branches of transportation, by improving the standard of their management, also by better utilization of the technological base in highway factory transportation and by further development of container transport by the transporters and haulers alike. For individual sectors of transportation the directive envisaged the following:

--in railroad transportation, to increase the volume of freight transport by 12.4 percent with priority to the transport of solid fuels;

--in highway public transportation of the CSAD [Czechoslovak Automobile Transportation], to expand freight transport by 33.6 percent and in highway factory transportation by 22.2 percent so as to achieve a 51.2 percent share of the CSAD public highway transportation in operations divided between public and factory transport;

--in river transportation, to double the volume of cargo transport in conjunction with the transport of power engineering coal for the power plant in Chvaletice on the Labe waterway, which was launched in 1977.

The fulfillment of the tasks assigned to transportation in the 1980 operational plan demonstrates that the rate achieved in freight transport was 3.1 percent below the estimate for the Sixth Five-Year Plan. The five-year plan envisaged a growth of 23.2 percent, but only a 20.1 percent increment was achieved, of which in railroad transportation it was 5.1 percent against the projected 12.4 percent,

and in CSAD public highway transport the rate was 11.5 percent; the increase of 29.3 percent in factory highway transport surpassed the estimated growth of 22.2 percent, and the increment in river transportation amounted to 84.2 percent as compared with the estimated 101.7 percent.

Outputs in freight transport were fulfilled more successfully, particularly in highway transport. The share of the CSAD public highway transport in the total transport performance of highway transportation amounted to 50.6 percent, which is a 2 percent increment as compared with 1975; however, the 51.2 percent projection for the Sixth Five-Year Plan has not been achieved.

The container transport system and piece shipment in the system of the CSAD pickup service contributed toward outputs in freight transport. More efficient utilization of container transport was hampered by lack of transporters with technical training.

Although during the Sixth Five-Year Plan the transportation system met transport requirements of our national economy, the shortcomings in the continuity and quality of freight and passenger transport could not be completely overcome. A review of the fulfillment of the transportation plan is presented in Table 1.

The development of railroad transportation during the 1976-1980 period has shown that despite its failure to achieve the projected rate, in 1980 this transport increased 13.9 million tons over 1975, of which loading accounted for 10.6 million tons. The remaining increment stemmed from foreign ballast accepted in imports and transshipments.

The increase of loading was evident in loading of solid fuels where the increment over 1975 amounted to 5.3 million tons; however, the projected increment fell 3.2 percent short of its goal. In addition, loading of ores, metallurgical and engineering products increased by 1.6 million tons, of crude oil and petrochemical products by 1.2 million tons, and of construction materials by 2.6 million tons. The share of the loading of solid fuels in the total freight load increased from 34.9 percent in 1975 to 35.6 percent in 1980.

In the overall structure of railroad transportation the share of loading declined from 83.6 percent in 1975 to 83.3 percent in 1980; the share of imported goods rose from 9.8 percent to 10.1 percent. The share of transshipment remained on the same level at 6.6 percent.

The overall fulfillment of loading operations was affected also by the fulfillment of exports which was exceedingly irregular and generated problems with loading assignments, especially toward the end of each quarter when the demands for loading of export goods increased.

During the entire Sixth Five-Year Plan the performance of railroads was affected by exhausted capacities (the capacity of transport routes and their technical condition), by the situation of its technical base, by the deliveries of spare parts, accessories, safety aids, by shortages of workers as well as by the transshipment capacities which failed to satisfy the requirements of transportation with necessary resources. On the other hand, the transporters lacked appropriate

Table 1

Evaluation of the Fulfillment of the Sixth Five-Year Plan
Plan of Transportation

a--6 FYP		Specific unit	Sixth Five-Year Plan						Index 1980/ 1975	
b--annual plan c--reality			1975	1976	1977	1978	1979	1981*		
Indicator	a									1
Total freight transport										
a	mil. t	-	1,322.0	1,384.8	1,450.4	1,510.8	1,570.5	123.2		
b	mil. t	-	1,322.0	1,398.6	1,422.0	1,479.4	1,511.2	118.5		
c	mil. t	1,275.1	1,330.6	1,364.6	1,416.3	1,470.7	1,532.0	120.1		
where transport:										
railroad										
a	mil. t	-	278.3	285.0	292.2	299.2	306.0	112.4		
b	mil. t	-	278.3	282.2	283.0	285.0	285.0	104.7		
c	mil. t	272.3	276.4	275.2	278.9	283.3	286.2	105.1		
CSAD public highway										
a	mil. t	-	319.0	340.0	361.0	382.0	404.0	133.6		
b	mil. t	-	319.0	342.0	333.03	337.0	336.0	111.1		
c	mil. t	302.3	316.9	318.0	326.7	329.1	337.2	111.5		
river										
a	mil. t	-	5.7	6.8	9.2	10.6	11.5	201.7		
b	mil. t	-	5.7	6.4	8.0	9.4	10.2	178.9		
c	mil. t	5.7	5.9	6.4	7.9	8.8	10.5	184.2		
factory highway										
a	mil. t	-	719.0	753.0	788.0	819.0	849.0	122.2		
b	mil. t	-	719.0	768.0	798.0	848.0	860.0	126.7		
c	mil. t	694.7	731.4	765.0	802.8	849.5	898.1	129.3		
Total passenger trans- port (not including river and MHD**)										
a	mil. t	-	2,482.9	2,498.9	2,517.0	2,536.0	2,556.0	104.5		
b	mil. t	-	2,482.9	2,470.6	2,444.9	2,486.0	2,472.0	101.1		
c	mil. t	2,445.2	2,424.1	2,443.0	2,448.6	2,449.7	2,551.9	104.4		
where transport:										
railroad										
a	mil.	-	491.0	481.0	473.0	466.0	460.0	34.6		
passengers		-	491.0	470.7	453.0	433.0	410.0	84.3		
b	" "	-	491.0	470.7	453.0	433.0	410.0	84.3		
c	" "	486.4	461.7	455.2	423.2	411.5	415.6	85.4		

* [sic]

**MHD--Ministry of Metallurgical Industry and Ore Mines

[Table continued on following page]

a	b	1	2	3	4	5	6	7
CSAD highway	a "	-	1,990.0	2,016.0	2,042.0	2,068.0	2,094.0	107.0
	b "	-	1,990.0	1,998.0	1,998.0	2,051.0	2,060.0	105.3
	c "	1,956.9	1,960.6	1,986.1	2,023.5	2,035.7	2,134.6	109.1
air	a "	-	1.9	1.9	2.0	2.0	2.0	105.3
	b "	-	1.9	1.9	1.9	2.0	2.0	105.3
	c "	1.9	1.8	1.7	1.9	2.0	1.7	89.5
in addition:								
municipal mass	a "	-	2,326.0	2,368.0	2,409.0	2,450.0	2,490.0	119.1
transit	b "	-	2,326.0	2,401.0	2,507.0	2,617.0	2,697.0	129.0
	c "	2,089.8	2,389.9	2,492.3	2,572.3	2,654.0	2,723.4	130.3

equipment for mass-scale unloading and adequate presupplies, which became evident particularly during the crisis in the winter in early 1979. Such circumstances along with the consequences of accidents and slow passage affected the development of quality indicators, especially the turnaround of cars, whose fulfillment steadily deteriorated.

The achievements in railroad transport were produced by joint efforts of railway workers and transporters, as evident from the fact that during the Sixth Five-Year Plan not only loading but also unloading became more regular, which is important particularly because the unloaded cars may be expeditiously utilized. While the average daily unloading and the unloading on Sundays and holidays differed in 1975 by 2,416 cars, in 1980 the difference was only 1,079 cars. In either case, i.e., in both loading and unloading, however, unused assets, such as higher nighttime processing, still remain.

The loading space capacity in freight cars could not be expanded due to the non-fulfillment of the decisive indicator of transport operations--car turnaround. In this area of operations, main quantitative and qualitative indicators of the technical plan had not been met. Above all, this concerns local operations where loading and unloading operations had not been balanced. Local load in railroads was not distributed evenly and sufficiently and set for unloading. Balancing tasks in coal basins and VSP have not been fulfilled. In operations with the OPW [General Freightcar Pool] fluctuations appeared mainly in high-sided wagons and thus, with a higher overload the CSD [Czechoslovak State Railroads] sustained sizeable losses in foreign exchange.

Substantive shortcomings appeared on every level of the basic management in railway and transshipment operations proper. Railroad operations proceeded slowly, the intensity of railroad transportation in interstate and interline transit could not even approach the level set by the time schedule for railroad transportation, which resulted in idle time of the trains and in high losses of locomotives mainly on the first main line.

The technological base of railroad transportation was expanded during the Sixth Five-Year Plan by the newly opened repair facilities, a new dispatch depot in the main railroad station in Prague was completed, and shunting operations in railroad stations of Ceska Trebova and Bratislava were fully automated. Steam-driven railroads were discontinued, an additional 371 km of tracks were electrified, and 214 km were furnished with automatic safety systems. During the Sixth Five-Year Plan, 165 electric and 668 Diesel locomotives, 329 motor cars and 26 electric units were added. The output of operating locomotives rose 4.5 percent.

The staff of the locomotive management, reduced by about 1,000 workers in locomotive teams, increased services 4.3 percent and simultaneously reduced overtime 11 percent. This favorable development was made possible mainly by stepped-up initiative of workers operating single propelled vehicles, which was reflected in the reduction of 3,547 engineers during the Sixth Five-Year Plan.

The mileage of electric locomotives between periodical repairs was raised from 319,000 to 383,000 km and of Diesel locomotives from 213,000 to 250,000 km.

Serious problems emerged gradually in railway line management, although the reconstruction of the tracks stipulated in the directive had been 100.7 percent fulfilled. Line maintenance was organized for a period of several years under the most complicated conditions. Because of the disproportions between the line loads and the capacities available to the railroad line management, the conditions of the lines deteriorated, the accident rate increased, the slow traffic in several sections reduced the capacity of the network and affected the safety of transportation mainly due to the ongoing reduction of work forces which was not in step with the construction of the technological base and its comprehensive utilization and to deliveries of essential materials. Railroad troops rendered efficient assistance as replacement for the unavailable work forces.

Repairs of freight cars were unsatisfactory because the stipulated norm for repairs was annually exceeded, amounting on the average to 7.9 percent of the total freight-car stock. The norm for repairs was exceeded due to short supplies of certain spare parts and materials as well as due to the underfulfilled repair plan which was the result of understaffing in the repair sector.

During the Sixth Five-Year Plan 450,892 cars operated by the CSD or received from industrial tracks were found to be forcibly damaged; the amount of the damages was Kcs 317 million and during the Sixth Five-Year Plan the costs of repairs of such cars represented Kcs 612 million. From a review for individual years of the Sixth Five-Year Plan it appears that these costs follow a continuous and almost systematically rising trend. A set of measures was issued to correct the problems evident from the above-mentioned data on the extent of forcibly damaged freight cars.

The maintenance, particularly complete conversion of the traction lines to a unified, more reliable system steadily improved the technical conditions of traction systems and solid traction equipment. Its reliability was demonstrated by a steep decline in defects of the traction systems.

Silicon rectifiers introduced in supply stations led to substantial conservation of power and more reliable operations.

Despite its 34.9-million-ton increase during the Sixth Five-Year Plan, the development of highway automobile transport in CSAD public transportation failed to achieve the rate envisaged in the directive. On the other hand, the estimate for transportation outputs was exceeded considerably--by 9.8 percent. Factory highway transport was the only one to fulfill its tasks; neither planned public highway transport nor highway transport in general reached the projected level, as evident from the following review:

CSAD	tons ... 111.5 percent	tkm ... 146.9 percent (index 80/75)
factory planned	tons ... 129.3 percent	tkm ... 136.4 percent
Total	tons ... 123.9 percent	tkm ... 142.0 percent

The transport volume was slightly underfulfilled due to the changes in the structure of transport in the public highway freight transport which was affected by increased division of transport operations; the outputs of all highway transportation demonstrated good results and the plan for the Sixth Five-Year Plan was

exceeded 8.4 percent. This affected the development of distances in transportation where the plan to develop mainly short- and medium-distance transportation remained basically underfulfilled while, on the other hand, the distances in transportation increased.

The tasks to meet the needs of foreign trade by using trucks to expand transport was fulfilled. In 1980, international highway freight transport hauled a total of 2,329,500 tons with outputs equal to 1,767.7 billion tkm. As compared with 1975 the growth index in tons amounted to 189.7 percent and in tkm to 168.7 percent.

Transport of coal from the North Bohemia lignite basin was facilitated particularly due to higher demands on coal production and with regards to the inadequate capacities of railroad transportation. Ever since 1977, highway freight transport was called upon to carry large amounts of coal to prevent disproportions between the supply in mining areas and the retail network. Initially the demands were rising and 2.6 million tons were hauled in 1977, 3 million tons in 1978, and nearly 3.2 million tons in 1979, but then the railroads improved the removal of coal, which exerted counterpressure to reduce the removal [by trucks]. In accordance with the directive of the plan, coal removal by trucks was reduced to less than 2.4 million tons.

Transport systems which helped increase the efficiency of highway freight transport considerably advanced during the Sixth Five-Year Plan in scope and quality, especially unit shipments within the system of the CSAD pickup service and in the container transport system. Gradually a system was developed whereby the vehicles were loaded on their return trips.

The fulfillment of the tasks in highway freight transport may be evaluated positively since the main tasks of our national economy were met. Shortfalls were evident in factory transport due to inferior organization of transport operations and a relatively higher increment of transport capacities.

In 1976-1980, the development in river transportation involved substantive structural changes in consequence of the launching of transport of power coal for the power plant in Chvaletice on the Elbe River. Furthermore, river transport began rendering important service in domestic transportation in addition to its tasks in foreign transportation. Combined railroad-river transportation was launched in 1977 and now 1980 appears as a year when continuous deliveries of lignite for the power plant in Chvaletice have been consolidated; the plan for 1980 was slightly overfulfilled and the achieved volume of transportation corresponds in essence with the objectives of the Sixth Five-Year Plan. Nonetheless, on the whole river transport fell short of the projections for the Sixth Five-Year Plan, particularly because of limited deliveries of vessels and crane technology necessary for transshipment of foreign goods in the ports on the Danube and Elbe rivers.

The directive for the Sixth Five-Year Plan stipulated that air transportation increase its outputs as follows: in transportation services by 10 percent [psr tkm], in air services rendered to the agriculture by 68.5 percent/average ha, and in helicopter service by 237.7 percent operating hours. Late in the Sixth Five-Year

Plan, the development of outputs in transportation was affected by restrictions of operations on deficit and unprofitable lines.

The fulfillment of national economic tasks in the Sixth Five-Year Plan was enhanced significantly by special aeronautical services in the form of airborne operations for agriculture and of helicopter service. Aeronautical services rendered to agriculture were organized to assist agricultural production as stipulated by the directive. In absolute terms, 5,068,000 ha were treated in 1980, which represents a 67.5 percent increase over 1975. Helicopter services marked even better results; in 1980 they operated 5,511 hours. As compared with 1975 this service increased on the average by 403.7 percent during the Sixth Five-Year Plan, considerably exceeding the rate envisaged by the five-year plan.

The quality of passenger transportation continues to pose certain problems, especially as concerns cleanliness of the means of transportation, its punctuality and services offered to the traveling public; on the other hand, safety of transportation was improved.

The total of passengers transported, including municipal mass transit, rose 16.3 percent, with a significant share for municipal mass transit, which rose 30.3 percent following the opening of additional sectors in the metro system. In 1980, the metro transported nearly 217 million passengers, or triple the number of 1975.

The task of public highway transportation in redistributing working time, particularly in public autobus transport and municipal mass transit systems, was successfully met.

During the Sixth Five-Year Plan, passenger transportation underwent structural changes. Our traveling public's interest in workers' and recreational transportation turned to the CSAD public highway transport which increased 9.1 percent. Better coordination was introduced in the division of passenger transport between the CSAD and CSD toward the end of the five-year plan. Because of its high consumption of energy, domestic air transportation was partly reduced, which was reflected in a 10.5 percent drop in passenger transportation as compared with 1975. On the Prague-Brno-Bratislava line, air transport was cut and replaced by express automobile transport on the superhighway.

During the Sixth Five-Year Plan, gross production in the railroad industry rose 11.1 percent and value added increased 16.4 percent. Annual plans were fulfilled but the targets of the Sixth Five-Year Plan were not met mainly because the planned strength of labor forces was underfulfilled. The facilities of the railroad industry met the needs of railroad operations in terms of repairs of track vehicles, production and repairs of means of mechanization in the track network, and production of reinforced concrete sleepers. Some of the facilities turned to the production of spare parts representing Kcs 1,224,000,000. In 1980, it rose 146.1 percent above 1975 due to higher demands of railroad operations and unfulfilled deliveries from suppliers outside the ministry.

Railroad construction completed 98.4 percent of the construction programs under contract. Basic production in the construction undertaken by internal work

forces was 98.1 percent fulfilled. This unsatisfactory fulfillment stemmed from objective causes (irregular subdeliveries, shortage of work forces, concentration of capital investment in North Bohemia Kraj, etc.) as well as from subjective effects. Shortcomings in the management, control and comprehensive deliveries of completed projects could not be completely eliminated. Nevertheless, production in construction successfully exceeded the targets of the Sixth Five-Year Plan by 14.1 percent in the territory of the North Bohemia Kraj and by 3.6 percent in the territory of the capital city of Prague. However, its goals were not met in the territory of the capital city of the SSR, Bratislava, for the simple reason that investments, particularly in municipal mass transit, had not been adequately planned in advance.

The development of employment is reviewed for the entire FMD [Federal Ministry of Transportation]. The annual plans and actual results express the material and organizational developments during the Sixth Five-Year Plan which affected the absolute level of employment. (As of 1 January 1978 temporary assignment [delimitage] of parcel units from railroad transport to the CSAD took place--the plan for such assignment involved 4,237 employees and actual assignment 2,588 employees; as of 1 January 1978 a new organization was introduced in air transport.) The development of employed fell below the targets of the plan for the Sixth Five-Year Plan. The planned annual situation of work forces could not be achieved in the department of transportation, with the exception of river transport. During the first years of the Sixth Five-Year Plan, the actual strength of work forces declined primarily in railroad transportation and in operational facilities. Following the implementation of Decision No 123/78 by the Presidium of the CSSR Government on measures restricting fluctuation and promoting recruitment and stabilization of work forces in railroad transportation, work forces became partly stabilized, however, meeting the planned strength of workers in selected traffic operations still poses problems.

The average wage per employee rose faster than the wage approved for the Sixth Five-Year Plan due to a gradual implementation of significant wage regulations. As opposed to the plan, the actual level of average per employee wage includes payments of stabilizing bonuses which increased the wages by 0.9 percent in the early years of the Sixth Five-Year Plan and by 1.5 percent after 1978. The development of work forces and of average wage appears in Table 2.

The labor force department of district national committees tolerated excesses over the limits in individual years of the five-year plan in organizations under direct control of the FMD and in the sense of Decision No 313/77 by the CSSR government, or as the case may be, as exceptions from Law No 70/58 of the Collection of Laws, it did not impose material penalties on such organizations.

Effects appearing in the financial management in individual years of the Sixth Five-Year Plan affected the development of indicators in the financial plan differently than the approved five-year plan.

The differences between the Sixth Five-Year Plan and the annual plans, or the actual effects in profitmaking stemmed from organizational changes on the one hand, and, on the other--which was most important--from material factors of which the following influenced the development in profitmaking:

Table 2

Fulfillment of the Sixth Five-Year Plan Evaluated
Plan of Employees and Average per Worker Wage

For the FMD--Total

a--6 FYP		Specific Territory		Sixth Five-Year Plan						Index 1980/ 1975
Indicator		unit		1975	1976	1977	1978	1979	1980	
a		b	c	1	2	3	4	5	6	7
b--annual plan c--reality	a			270,140	273,772	276,712	277,577	278,135	278,537	103.1
	b		CSSR	274,588	273,772	272,712	268,506	269,582	270,107	98.4
	c			270,135	269,109	268,435	266,453	267,925	268,312	99.3
No of workers	a	person		191,512	193,407	195,465	195,959	162,282	196,319	102.5
	b		CSR	195,193	193,407	192,513	189,626	190,095	189,729	97.2
	c			191,508	190,041	188,762	187,560	188,392	188,686	98.5
	a			78,628	80,365	81,247	81,618	81,853	82,218	104.6
	b		SSR	79,395	80,365	80,199	78,880	79,487	80,378	101.2
	c			78,627	79,068	79,673	78,893	79,533	79,626	101.3
	a			2,617	2,653	2,713	2,776	2,841	2,908	111.1
	b		CSSR	2,562	2,653	2,751	2,903	3,015	3,097	120.9
	c			2,640	2,725	2,821	2,961	3,067	3,149	119.3
Average wage per worker	a	Kcs		2,628	2,664	2,724	2,787	2,852	2,920	111.1
	b		CSR	2,569	2,664	2,761	2,922	3,029	3,112	121.1
	c			2,651	2,730	2,836	2,982	3,084	3,165	119.4
	a			2,589	2,627	2,687	2,749	2,813	2,880	111.2
	b		SSR	2,544	2,627	2,727	2,859	2,980	3,064	120.4
	c			2,615	2,711	2,787	2,912	3,027	3,111	119.0

--The development in railroad transportation in individual years considerably differed in the area of outputs and special profits, although the 1980/1975 index on the whole appears balanced. The growth of receipts in individual years was affected by the volume of transportation; in 1978 and 1979 it was influenced by the new MTT tariff for transit. In 1980, freight and passenger transport even failed to achieve the receipts stipulated in the annual plan; material costs in individual years mostly reflected higher outlays for rentals of foreign cars, repairs and maintenance, higher consumption, particularly of traction power and Intrans traffic.

In view of the understaffed railroad industry, the original regulations concerning the requirements for repairs were reduced and the kilometer run of locomotives extended. Outputs fell further below the Sixth Five-Year Plan because more four-wheel passenger wagons were liquidated and the repair cycle for eight-wheel passenger cars extended. Furthermore, the change in the structure of the production in the MTH enterprise and the cut in the production of reinforced concrete sleepers in the ZPSV became evident.

--In railroad construction, the price list of construction works was revised in 1977. Its application demonstrated that the projected overestimate based on the economic result of the approved Sixth Five-Year Plan had not been achieved and that, on the contrary, because of it, enterprises had sustained losses, which were taken into consideration in annual plans; this also affected the volume of the outputs. In addition, reduced work forces further affected the level of outputs in a negative way.

--The dynamism of costs in air transportation was generated by the escalating prices of aviation fuels and services abroad; by the resultant dynamism of outputs and receipts due to the concurrently implemented tariff adjustment; by methodical and other material effects (compensation for extensive VPD repairs from operational costs, deliveries of air fleet above the plan, higher insurance rates, etc.) and by the effect of incipient changes in the structure of the aircraft fleet and in the system of its repairs in Slovair.

--A higher growth rate in river transportation also stemmed from the fulfillment of lucrative transport of goods from transshipment services; material and other costs were affected primarily by higher foreign prices, rising costs of the newly established transshipment facilities for power coal, higher drawing of costs for repairs and maintenance of outdated and wornout craft, and higher drawing of wages paid to foreign citizens.

As compared with the original figures for the Sixth Five-Year Plan, further increases in individual years affected the following:

--wage costs due mainly to the implementation of wage regulations pursuant to Decision No 123/78 of the Presidium of the CSSR Government on stabilization of work forces and others, as specified in the plan for the development of employment and wages;

--depreciation of ZP primarily in conjunction with the introduction of sophisticated models of latest technology purchased at higher prices;

—financial costs stemming mainly from higher interest for operational credits in conjunction with higher inventory, from the implementation of Decision No 123/78 of the Presidium of the CSSR Government on stabilization of work forces, and from the implementation of Decision No 14/78 of the CSSR Government--costs of social contributions to old-age pension funds for a selected group of preferred employees.

The development in the fulfillment of the financial plan for the FMD in general is presented in Table 3.

The evaluation of material-technical supply concerns only selected main indicators:

Motor and fuel oil—due to the liquidation of steam traction, an increment in motor traction was projected in the Sixth Five-Year Plan. Further requirements were specified in annual plans according to the progress of the changes in above-mentioned tractions and with regard to outputs and standard consumption in motor traction. The failure to draw annual limits mainly during the early years of the Sixth Five-Year Plan was affected by absolute savings in the motor traction of railroad and river transportation.

Rolled material in general--annual assessment allocations were set lower than envisaged in the Sixth Five-Year Plan in view of the volume of supplies of certain products in the ministry's organizations. On the other hand, since fewer supplies had been drawn, deliveries of certain types of rolled material in short supply have not been confirmed.

Consumption rose in 1978 due to the stepped-up production of spare parts for repairs of freight cars and in 1980 because assessment allocations were reduced by 8,000 tons. The higher consumption was covered from unused resources.

Capital investment in railroad transportation was subordinated mainly to the handling of the extracted coal, to the services rendered to the fuel and energy base, to remodeling of all railroad facilities--i.e., track, station or repair facilities--and to social needs.

Electrification, automatic track safety systems and relay station equipment in particular raised the efficiency of the tracks. Steam traction was gradually eliminated over the entire CSD network. This directive was implemented by means of electrification and dieselization.

The tasks to eliminate the bottlenecks in coal transport from the North Bohemia lignite basin proceeded from the decision of the 15th CPCZ Congress concerning the sector of construction investments.

Mandatory construction projects in North Bohemia were completed on schedule: temporary relaying of the tracks on the Trebusice-Chomutov line; first stage in the remodeling of the Trebusice station; relaying of the tracks on the Chomutov-Prunerov line, second stage; remodeling of the station in Obrnice. The Chodv-Sokolov line was relaid and put into operation; service started on the relaid lines of Trebusice-Chomutov and Usti nad Labem-Teplice where construction works

Table 3

Fulfillment of the Sixth Five-Year Plan Evaluated
Financial Plan

Economic organizations of the FMD--Total

a--6 FYP		Sixth Five-Year Plan					Index 1980/ 1975
b--annual plan		1975	1976	1977	1978	1979	
Indicator	c--reality	1	2	3	4	5	7
a	b	unit					
Outputs	a	Kcs					
unaffected	b	mil	26,987.2	28,085.7	28,897.0	29,673.3	30,477.1
by foreign	c		26,910.4	28,273.6	28,370.3	28,525.0	29,378.0
trade			27,311.8	27,956.1	28,198.5	29,520.2	30,231.6
Outputs and	a	Kcs	27,095.2	29,197.0	29,007.0	29,783.3	30,587.1
special	b	mil	26,911.8	28,384.9	28,373.3	28,555.0	29,399.0
outputs--	c		27,311.8	27,984.7	28,265.5	29,565.2	30,291.7
total							31,223.6
Mat. and	a	Kcs	11,979.7	12,311.2	12,662.9	12,993.5	13,361.2
other costs	b	mil	11,352.4	11,897.9	12,484.0	12,484.0	13,104.0
without ZP	c		11,629.4	11,707.5	12,305.0	13,080.8	13,569.3
depreciation							13,899.0
Total costs	a	Kcs	24,940.1	25,703.0	26,563.5	27,346.6	28,143.1
unaffected	b	mil	24,515.6	25,628.9	26,365.1	27,049.8	28,350.2
by foreign	c		24,826.5	25,619.6	26,438.3	27,766.3	28,908.9
trade							29,778.8
Profit+	a	Kcs	+2,165.1	+2,504.3	+2,454.6	+2,447.3	+2,455.3
loss-	b	mil	+2,396.2	+2,756.0	+2,008.2	+1,505.2	+1,048.8
	c		+2,485.3	+2,705.1	+1,826.9	+1,799.0	+1,381.0
							+2,488.0
							+1,458.0
							+1,443.6
							58.09
							114.91
							60.85
							116.25
							121.14
							119.95
							114.84
							121.65
							119.52
							116.14
							115.77
							114.32
							31,468.7
							31,157.0
							31,223.6
							116.20
							115.63
							114.11
							31,358.7
							31,116.0
							31,165.5

continued according to the approved timetable. The total volume stipulated for North Bohemia Kraj by the government was fulfilled and according to the evaluation by external organs, the FMD had met its tasks in this particular sector of capital investment.

The volume of operations and deliveries for mandatory governmental programs was fulfilled on schedule—important capacities were put into service. For example, in the Prague junction area a new hall was built in the main railroad station in Prague and the railroad stations in Liben and Vysocany were remodeled. The Haniska pri Kosiciach-Zvolen line was put into operation and its efficiency improved; CSD shops were opened in Trnava and Zvolen. Automation of the humps in Ceska Trebova and Bratislava is under way. Overall, 215 km of lines were furnished with automatic block systems and 9 container transshipment stations were opened.

As regards the employees' welfare and social construction projects, about 1,250 enterprise-owned housing units, 900 beds in CSD dormitories, 160 places in training institutions and 60 places in nursery schools were put to service during the Sixth Five-Year Plan.

The task to remodel annually 750 km of railroad superstructure, including 1,500 km of switches, was finalized on schedule.

In accordance with the directives for the Sixth Five-Year Plan, capital investment in air transportation focused on higher safety, punctuality and good management of that transportation. The takeoff and landing lines in Kosice and Brno were extended and remodeled. The VPD 13/31 and the dispatching surface in the main airport in Prague-Ruzyně were remodeled. The building of repair facilities for the Slovair continued according to the concept for the development of agricultural works.

The programs for river transportation were fulfilled mainly by expanding the capacities of modern ports and transshipment facilities and increasing the number of tow systems in the fleet. The coal transshipment port in Lovosice was put into service and the construction of a repair and service center in Chvaletice has begun. The port in Bratislava-Palenisko is still under construction.

Important programs in surface communications focused on further modernization of the highway network. The Prague-Brno-Bratislava superhighway opened to traffic before the end of 1980. Furthermore, other sectors of the superhighway, namely, Bratislava-Trnava and Ivachnova-Liptovsky Jan, were put into service, and the construction of certain approaches to the superhighways from Prague, Brno, Bratislava and Presov has begun.

In view of the requirements of the state fuel and energy base and of the atomic program, and due to shortages of certain capacities in supplier enterprises and of certain essential materials, the CSSR Government in its annual directives and annual plans adjusted the volume of the Sixth Five-Year Plan as follows:

The total volume of operations and supplies amounts to Kcs 39.9 billion, of which construction projects above Kcs 2.0 million represent Kcs 9.8 billion. The ceiling of budget costs for construction projects currently launched remained at

Kcs 10.6 billion. Annual plans for the Sixth Five-Year Plan were fulfilled in special-purpose construction as follows:

The plan--total volume	39.9
Fulfillment of the Sixth Five-Year Plan	38.7
Difference	1.2

of which construction projects over Kcs 2 million

Plan--total volume	9.8
Fulfillment of the Sixth Five-Year Plan	9.1
Difference	0.7

Budget costs for newly launched construction projects

Plan--total volume	10.6
Fulfillment of the Sixth Five-Year Plan	10.6

The plan was not fulfilled in the category of construction projects over Kcs 2.0 million; the rest involved construction projects under Kcs 2.0 million and comprehensive remodeling programs. Moreover, the plan for deliveries of machine equipment also fell short of target.

Construction of superhighways--programs of the Sixth Five-Year Plan were met in the following amounts (Kcs million):

CSSR total	7,018	CSR total	4,683	SSR total	2,335
nonfulfillment as compared with:					
the Sixth Five-Year Plan					
Plan	1,167		575		692
annual plan	228		70		158

The volumes were not fulfilled because the volume specified in annual plans even during the Sixth Five-Year Plan were lower than the directive had envisaged.

As concerns material supplies for the programs of the Sixth Five-Year Plan, a total of 262.4 km of superhighways were put into service during this period, of which 190.0 km was in the CSR and 69.4 km in the SSR. The Prague-Brno-Bratislava route opened for traffic as of 7 November 1980 and thus, it may be said that the material tasks have been overfulfilled 71.8 km.

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NEW MEASURES TO CURB DEMAND FOR TRANSPORTATION SERVICES ANALYZED

Transportation Minister's Interview

East Berlin DDR-VERKEHR in German Vol 14 No 12, Dec 81 (signed to press 26 Nov 81)
pp 400-401

[Exclusive Interview] with Otto Arndt, GDR minister for transportation; date and place of interview not indicated: "Most Efficient Freight Transportation Is Nationwide Economic Task"

[Text] By sketching the main targets of the new transport planning procedure, the new freight transportation prices for inland traffic in the GDR and the related new freight transportation law, the interview answers primarily those topical questions which arise from the qualitatively higher status of transportation in the economic reproduction process. This applies to, among others, the new quality in the preparation and operation of transport services, the qualitatively new features of the work of transport committees and regional organs, the characteristic features of the new freight transport law as well as the qualitatively new obligations for the transport system arising from the qualitatively higher transport costs.

[Question] Comrade Minister, qualitatively new tasks arise for the transportation system also from the economic strategy decided at the Tenth SED Congress. A new transport planning procedure, new freight rates for the GDR's inland traffic and, related thereto, a new freight transport law have been introduced. What are the main targets of these provisions?

[Answer] At the present time the working people in all sectors of the united socialist transportation system and also in the transport sectors of other branches of the economy are making a concerted effort more rationally to organize freight transportation as a whole. As you know the Tenth SED Congress required us to carry out all freight shipments more efficiently, on the shortest routes and with less fuel and energy use. This assignment responds logically to the demands of our economic operations which are directed to the reduction of production consumption. In other words it means that all transport expenditure is production consumption. Therefore the less we need to use economic funds for transportation, the lower will we be able to hold production consumption and thus contribute to the rapid growth of the national income.

You mention three new regulations which will take effect at the beginning of next year. They all serve this goal and represent a single unit. We consider them important tools for effectively carrying out the new directions of our transportation policy based on the Tenth SED Congress resolutions. They are to help us toward the goal of carrying only that freight which must absolutely be carried, and that carriage itself be as rational as possible, especially with regard to energy use which must be kept at a minimum. To do so we will have to totally exploit in our nationwide economy all benefits of socialist production conditions, beginning with the effective management and planning of transportation by way of the more pronounced effect of freight rates and socialist law on the many kinds of socialist cooperation.

Lastly it will be imperative not to increase transportation services as an absolute despite further dynamically growing goods production in our economy. Compared with earlier practice this will require a completely new approach to this problem and a general and profound transformation of our thinking. The new regulations are designed effectively to assist this process.

[Question] Obviously the branches of the transportation system and the economy will thereby be confronted with greater responsibilities, because involved here is a generally higher quality in the preparation and operation of transports. What questions should be paramount for management?

[Answer] I think that my remarks in answer to your first questions already clearly showed that transportation will in future have to assume a far higher status in the economic reproduction process.

To put it simply, the new quality may be demonstrated from two aspects:

1. It will be necessary noticeably to lower the demand for transportation services in all sectors of the national economy. We intend to achieve this by the greatest possible optimization of delivery and transport ratios, of technologically necessary production transports between combine enterprises as well as of production and storage sites.

Optimization definitely includes the most rational vehicle use. We are surely entitled to claim that, on principle, only optimized transportation will in future receive economic approval.

2. We must lower costs, especially the expenditure of energy, in all transportation processes. One of the most basic requirements is that of handling every transport by those carriers which are least costly, especially with regard to energy.

It follows that the railroad and inland shipping--the most energy efficient branches of transportation by comparison with road transport--must quickly raise their capacity and expand their services as a genuine alternative to road transport. From the energy economic standpoint road transport use must be noticeably reduced.

Of course the nationwide economy will have to join in this approach to a shift in the division of labor. This will certainly require many technological changes wherever the transportation system meets the transportation customer.

At the same time the lowering of expenditure involves an entire complex of new tasks regarding substitution and the reduction in specific energy consumption. We understand by this, for example, the rapid increase in electric traction for the railways as well as the greatest possible energy conservation in the operation of the railroad and motor vehicles by the use of technical devices based on microcomputers.

As you see, very different quality criteria need to be consulted whenever we now talk about transportation.

/Question/ Transport committees and regional organs have far ranging tasks and powers in this connection. What are the qualitatively new features of their work?

/Answer/ In connection with the necessarily increased cooperation between the economy-region-transportation system, coordinating functions are bound to multiply. These are to be handled in particular by the transport committees at bezirk, kreis and city councils. On the one hand these tasks involve the need for the transport committees and competent technical organs in the region to exert more influence on the optimization of delivery and transport relations, the rationalization of freight movements (especially the shift of freight from the road to rail and inland shipping), and on the appropriate organization of technological processes at the contact points between the economy and the transportation system already mentioned before.

Consideration for the wider implications, the common utilization of all resources available within the framework of factory transport, loading and unloading cooperatives or in other forms--these are priority needs for socialist management in the regions.

Moreover the responsibility of regional organs has increased with regard to the implementation of more efficient management of planning of transport processes, especially the close cooperation between the centrally and regionally administered sectors of the economy. It must be the goal of all of us on the basis of transport indices or transport normatives as well as the quotas for energy consumption to secure the efficient completion of necessary transports in every situation.

/Question/ Comrade Minister, the new rates show considerable changes, both from the aspect of railroad rate levels and from that of the system generally.

What are the ends pursued by these changes?

/Answer/ The wish to carry out transports as efficiently as possible evidently requires more than good will to be realized. It is therefore necessary more emphatically to stimulate by economic means the minimization of transport services and transport needs generally.

Rates are very important in this context. The change going into effect now takes into account mainly the higher costs due to higher energy prices and, at the same time, sets new criteria for the systematic reduction of transport costs in combines and enterprises. These rates will serve better than hitherto to stimulate savings,

the lowering of transport distances by transport optimization, the greatest possible utilization of the means of transport as well as the use of rational transport technologies such as through freight trains.

Given the greater burden of transport costs within the framework of the economic accounting of combines and enterprises, it will in future be possible from this aspect also to exert greater pressure on the thriftiest and most rational use of transport services.

All in all, the new freight transport rates make transport rationalization more compelling as well as more rewarding for combines and enterprises.

/Question/ The new freight transport law contains extensive new regulations. What are the features distinguishing this law from earlier regulations?

/Answer/ First of all we should welcome the fact that the new freight transport decree (GTV0) represents the first legal provision to be in effect for all inland freight carriers and uniformly regulates all stages of transport preparations and operations.

While it builds on tried and tested procedures from the old decree, it incorporates important decisions in the field of transportation by the Council of Ministers and its presidium.

The new GTV0 is adapted to the changed situation and regulates the responsibility of the Ministry for Transportation. At the same time it establishes the precise tasks of other state organs, combines and enterprises of the national economy for the purpose of the efficient operation of freight transports. A novelty is represented by the regulations concerning the duty to transport which will in future apply when an economically warranted transport need exists within the scope of the indices assigned for the demand upon freight transportation services.

I also consider sensible the extension of the organization of contracts by the adoption of the transport coordination contract. This puts in the proper legal form the valuable experiences gained by the transportation branches in cooperation with the customers at the point of contact involving freight shipments. We must hope that this transport coordination contract will quickly become general practice and a basis for cooperation between transportation enterprises and transportation customers.

/Question/ A question regarding the transport planning procedure. It is obviously necessary here properly to evaluate many new elements and future practical experiences in the work with transport indices and transport normatives.

How do you see this group of problems?

/Answer/ The new transport planning procedure has the primary task of significantly raising the responsibility for rational transportation in all sectors of our national economy. It intends to carry out all planning of transport services by way of production specific transport indices or normatives and thereby affect as planned the reduction of specific transport use.

At the same time the new planning procedure is designed completely to reconcile transport services with the available sources of energy used in transportation.

The dynamic course of plan implementation within the year was taken into account insofar as the transport plan will be broken down into quarters so as to consider all changes occurring in the national economy. We thus generally set transport planning equally at the side of other planning complexes such as material management, and so on.

It is important for the experiences gained this year to be thoroughly evaluated and utilized for the even more efficient organization of the ratio of transport services to goods production.

In this spirit all sectors and all levels must constantly exchange experiences, and we must steadily raise the efficacy of the new transport planning procedure.

/Question/ Comrade Minister, we may claim generally that the transport costs of enterprises and combines will in future rank equally with energy and materials costs. This presents the transportation system with qualitatively new obligations. Would you tell us the most important of these?

/Answer/ That is a very important question, linked with the greater responsibility of all sectors for the operation of transport processes. As you know the current freight rates do not reflect the rising costs of energy, raw materials and other materials. Compared with the socially required expenditure, transport services have therefore been undervalued in the past. This increasingly hindered the consistent enforcement of economic accounting in industrial combines and enterprises as well as in the enterprises of transportation. It was not possible either fully to finance from profits the necessary expanded reproduction or the funds of material interestedness. The enforcement of the new regulations will therefore require the ongoing improvement of cost planning, reporting and analysis in all combines and enterprises as well as at the overall nationwide level.

By specially planning, reporting and checking transport costs, the cost/result ratio in combines and enterprises will be decisively affected. That is why all efforts to lower transport costs must be given equal status with the reduction of, for example, energy and materials costs.

/Question/ Comrade Minister, your answers show that all these measures on the one hand take into account current economic requirements and, on the other, correspond to the maturity of our socialist production conditions. The question therefore arises where to seek the responsibility of the socialist owners, in other words the working people themselves, and what are the tasks involved for state managements?

/Answer/ Our entire strategic conception for the more efficient organization of freight transport can work only if the working people in the transportation system and all sectors of the national economy actively cooperate in its implementation.

It will therefore be necessary for the basic scheme and the workers own targets arising therefrom to be thoroughly explained.

I consider it very important for every worker to know why he must do his job in a certain way. Such knowledge is always linked with his own creative activity. In the past we have had much proof of the truth of this assertion. Especially in the field of rational transport operations we are bound to rely on the active involvement of the working people. They must know that the lowering of transport costs ultimately also reflects the unity of economic and social policy, because the savings achieved will benefit them.

In this spirit we have introduced a series of provisions on the economic stimulation of diesel fuel conservation so as to make this interrelation immediately obvious. Of course this means a great deal of responsibility for the state managements who must set clear assignments, explain the problems in the various work collectives, increase their educational efforts and ensure the greatest possible order, discipline and safety of transport operations.

We can certainly claim that the success of state managers in close cooperation with party organizations, labor union executive bodies and the youth federation firmly to lead and mobilize their collectives will allow us all successfully to cope with the challenging target of not allowing transport needs to rise and satisfying them with a lesser use of energy.

Transportation Planning Procedure

East Berlin DDR-VERKEHR in German Vol 14 No 12, Dec 81 (signed to press 26 Nov 81) pp 402-404

[Article by Hermann Trunte, economist, and Dr Wolfram Paetzold, chief and deputy chief, respectively, Planning Department, GDR Ministry for Transportation; members, DDR-VERKEHR editorial board: "On the Continued Development of Transportation Planning in the GDR"]

[Text] The planning of the objectively necessary freight transport services and freight transshipment as part of economic planning, including the planning of new production and consumption sites and the freight movement arising therefrom is regulated in principle by the 1981/1985 Order of Planning of the GDR Economy, the Transport Balancing Order (TBAO) and the supplementary regulations issued thereto, as well as the transport order for operational monthly transport planning.

The authors outline significant aspects regarding the rational development of freight transport in the GDR's economic reproduction process in the 1980's as the subject and object of transport planning as well as regarding the function and principles of the new transport planning procedure. Some key issues and problems of the new transport planning order are described.

The SED Central Committee Report to the Tenth SED Congress calls for a definite reduction in the expenditure for all transport processes in the national economy. That is a task affecting the transportation system itself but also industry, construction, agriculture, forestry and the food industry, trade and all other sectors.

SED Central Committee General Secretary Erich Honecker commented this target as follows:

"All freight transport must be expedited more efficiently, via the shortest routes, with less fuel and energy. We need rational transportation, transshipment and storage processes."

The assurance of the transport tasks needed to safeguard the economic reproduction process at the least expenditure requires the further perfection and improvement of transport planning as a tool of socialist transportation policy.

The planning of objectively required freight transport services and freight transshipments as an element of economic planning, including the planning of new sites for production and consumption and the freight movements arising therefrom, is basically settled in the 1981/1985 Order on the Planning of the GDR National Economy, The Transport Balancing Order (TBAO) and the supplementary regulations issued there- to as well as the transport decree on operational monthly transport planning.

Freight transport planning includes

- The ascertainment and definition of the economy's transport needs,
- The balancing of socially acknowledged needs with the transport capacities of the public and factory carriers, taking into account available energy sources,
- The preparation of the GDR's transportation balance as well as the regional transportation balances in the districts.

The realization of transport plans proceeds with the scope of the legal regulations derived from the transport decree. However, the possible problems arising are not the subject matter of this article. The decision on state transport balances and transport plans for the plan year also establishes the transportation tasks of transportation combines and enterprises as well as of enterprises with their own factory vehicle fleets. Transportation planning therefore significantly affects all sectors of the economy and the supply of the public and, consequently, the smooth flowing economic reproduction process.

1. The Rational Development of Freight Transports in the GDR's Economic Reproduction Process in the 1980's as the Subject and Object of Transport Planning

The demands on freight transports rise alongside the growth of production and the consumption of goods and services as well as the constantly shifting regional structure of the social division of labor. In the GDR the growth of output in industry, agriculture and construction has involved the following rise in inland freight traffic:

Table 1

1970	1980	Percentage Rise
743 million tons	1,058 million tons	143
56 billion tons/km	80 billion tons/km	142

We now need to daily transport almost 3 million tons of freight by rail, road and inland shipping. The average distances are around 180 km in the case of the railroad, about 132 km in that of inland shipping, 58 km in public road traffic and 20 km in factory traffic.

In 1980 some 63 tons of freight per GDR resident were carried across an average of 75 km. That is a tremendous achievement by the workers in the transportation system.

However, international comparisons show that the transport volume and transport output in the GDR are very high in relation to goods production, and that a reduction in specific transport needs is bound to result in considerable savings of transport costs.

The economic strategy for the 1980's resolved upon by the Tenth SED Congress therefore called for restricting society's transport needs to the objectively necessary minimum by way of intensification and lowering specific transport expenditure by at least 20 percent by 1985.

In the 1981/1985 Five-Year Plan period freight transport services in inland traffic are not supposed to grow at all, despite a 28-30 percent rise in industrial output. This contrasts with the 1976/1980 Five-Year Plan, when freight transport services grew by 16 percent and industrial output by 30 percent.

The long-term strategic task consists in lowering specific transport needs by 4-5 percent annually. This will provide a significant contribution to the reduction of production consumption in the national economy, especially to energy conservation.

Just 1 percent means a saving of about M170 million per annum.

The lowering of specific transport needs is a priority task of transport planning. It requires long-term, medium and short-term plan decisions. As early as the time of long-term conceptual planning will it be necessary to influence the production and regional structure with the aim of minimizing transport needs. The utilization of all opportunities for optimizing transport and delivery relations, for progressively refining raw materials and reducing the volume of various freights--these represent a basic issue of the economic strategy for the 1980's.

The steady lowering of transport and energy expenditure also requires the enforcement of the best possible division of labor between carriers.

The capacity of the energy efficient carriers railroad and inland shipping will be raised further in order to conserve diesel fuel; at the same time it will be necessary considerably to limit the volume of road transport services.

Table 2 demonstrates the planned shift through 1985 in the percentage shares held by the various inland carriers in freight transport services:

Table 2

	1970	1975	1980	1985
GDR railroad	74.0	72.3	70.9	82.0
Inland shipping	4.2	3.4	2.7	3.0
Road traffic	21.8	24.3	26.4	16.0

In order to realize the conception of the priority development of rail transport, more than 50 percent of the investment funds available to the transportation system will be allocated to the DR GDR Railroad, especially to ensure the rapid rate of electrification, expand its main network and switching yards, equip it with modern safety devices and comprehensively apply microelectronics and robot technology.

The more intensive utilization and modernization of capacities in inland shipping will enable this carrier to enjoy the most rapid advancement.

With the exception of special freights and in border crossing traffic, the use of road transport must be confined to local routes.

In 1980 45 million tons of freight were still carried by long-distance road transport. By 1985 a considerable part of this freight will have to be shifted to rail.

Another task of transport planning consists in providing the prerequisites for transport operations to proceed rationally and on the basis of the most suitable technologies.

This aim is served by regulations regarding the use and utilization of means of transport as well as the balancing of the necessary transport services with energy allocations. Transport planning must therefore fully agree with energy planning.

2. Target, Function and Principles of the Further Development of Transport Planning Procedures

Transport planning methodology is always called upon to facilitate the realization of the economic strategy of party and government in the respective stages of the construction of the socialist society.

In the years following the Eighth SED Congress the procedures of transport planning were further developed with the aim of achieving greater efficiency of transport operations by the inclusion of all transport capacities available in the national economy, including factory vehicle fleets, and by balancing these with the reported transport needs. Developments showed that transport planning helped ensure that the transport needs of the dynamically advancing national economy were satisfied.

Our earlier experiences showed up the following problems in the application of the transport planning methodology:

1. The enterprises reported transport needs, based on production plans, do not sufficiently take into account intensification effects, especially in connection with the developing cooperation relations of the new combines.

The enterprises reported needs tended to be excessive and did not sufficiently respond to the necessity for conserving transports and energy. The reports of transport customers and their operation in transport planning were confined to tonnage, the type of freight and the means of transport.

The planning of transport services and, therefore, distances proceeded entirely by the efforts of the carriers without the cooperation of transport customers.

2. The transport customers choice of carriers--lacking adequate stimulation by freight rates--and the rapid expansion of factory vehicle fleets resulted in a not always satisfactory division of labor with public carriers, especially the railroad and inland shipping.
3. There was no nationwide economic reporting of the observation of transport balance shares confirmed to the transport customers and, consequently, no agreement between the annual plan and operational monthly plans. The enterprises failed in detail to account for transport costs, and these costs did not represent a key issue of enterprise planning and, consequently, cost reduction.

In order to achieve a nationwide reduction in transport expenditure, the economic strategy for the 1980's requires transport planning

- To respond to the growing economic potential and the greater opportunities arising from the development of combines to lower production consumption, including transport, by the use of new methods
- To secure the agreement of transport indices with energy quotas and assist the appreciable lowering of energy consumption
- To result in the lowering of transport distances by planning freight transport services in the sectors of the national economy in conjunction with set targets for the optimization of transport and delivery relations
- To ensure the most favorable possible division of labor among the carriers, especially the shift of transports from road to rail, by the inclusion of the economic stimulation of the new freight rates,
- Even more closely to organize the connection between performance and capacity planning for the more intensive utilization of the transportation and transshipment capacities
- To increase the mandatory force of transport planning by the setting of state plan indices and guarantee their exact reporting and control.

The following are important elements in the new transport balancing decree (TBAO):

1. Freight transport planning will be organized as a standardized process beginning with long-term conceptual planning via five-year and annual planning down

to quarterly and monthly planning. It will thus become the main tool of traffic policy within the scope of economic planning and provide the conditions for the steady reduction in specific transportation expenditure.

2. For the purpose of plan preparation the ministries will be assigned state targets for the need for transport services in tons and ton/km per carrier. The ministries must break these down to the combines and enterprises.

The bases for the state targets to be handed the ministries are

- The development of output in these sectors and the measures adopted to reduce specific transportation expenditure,
- The energy available for the accomplishment of the transport assignments,
- The transport capacities available to the carriers, including factory vehicle fleets.

When determining the state targets, analyses of earlier production, sales and transport indices are to be used as well as optimization computations, variant comparisons and technological studies.

To improve transport planning, the gradual preparation and use of transport normatives will be an absolute must--whether such normatives serve as commodity or value indices.

3. Transport customers will receive their transport indices in tons and ton/kms, that is by volume and distance. They are therefore confronted with the necessity as far as possible to avoid long-distance transports and to sell their products with a minimum transport service requirements.

The utilization of all opportunities for optimizing delivery relations thus becomes a compelling requirement.

All measures to lower materials and energy expenditure in production will have to be reflected also in the lowering of transport expenditure.

The transport indices are the basis for calling on transport services. Their observance must be supervised by the carriers and the economy.

A non-requirement of transport indices is to be judged the same as an additional lowering of production consumption, provided it is the result of the enterprise's own efforts. If transport indices are exceeded as a result of additional output, a decision by the balancing organ is required.

4. Transport plans must be consistently derived from the plans of output and sales. They are to be broken down by quarters and linked to quarterly production plans. Since 1981, in cooperation with ministries and districts, quarterly plans for inland freight transports are submitted for confirmation to the Council of Ministers. This ensures that the agreement of production and sales plans with transport plans is maintained in the course of the implementation of the plan.

It will therefore be necessary in general to organize closer cooperation between the combines and their enterprises on the one hand and the offices and facilities of the carriers on the other for the purpose of plan preparation, plan drafting and plan execution, and also to orient the conduct of the competition accordingly.

3. On Some Key Issues and Tasks of the New Transport Planning Procedure

We have already explained that, in addition to the planning of the freight volume by types of goods and means of transport, the economy will have to proceed with the planning of transport services (ton/km), broken down by carriers, as an essential new element of transport planning. That is a precondition for reducing transport and energy expenditure at the rate required and for removing the former trend of a steady rise in average transport distances. This will apply to road traffic in particular. For reasons of energy considerations alone it is not admissible for the average transport distance of public freight traffic on the roads, for example, to rise as much in the 1980's as it did in the period 1970-1980 (from 34 km to 58 km). The TBAO therefore includes clear rules concerning the planning of transport needs and the use of the services of carriers by the combines and enterprises of the economy. These compel the ministries and combines, especially with regard to bulk goods (which account for about 80 percent of the transport volume), to organize as planned the optimalization of transport and delivery relations and the reduction in transport costs on the basis of branch conceptions and with the aid of the transportation system.

The transport plans of combines and enterprises in the economy are thereby acquiring a new status. Within the management and planning process they must be handled exactly like the plans of materials and energy consumption.

It is crucially important for transport plans to be drawn up on the basis of central state targets issued to the ministries (in tons, ton/km and by carriers), coordinated between the State Planning Commission and the Ministry for Transportation. The State Planning Commission will issue these transport indices to ministries and bezirk councils, and the latter in turn will break them down to combines and enterprises.

Enterprises in the economy are obligated to direct the initiatives of working people and their research potential to keeping transport needs as low as possible. This may involve shifts in the regional division of labor among the enterprises in a combine. Particularly beneficial, for example, is a rise in the extent of refinement on the manufacturing site in order to lower the freight volume.

To increase the responsibilities of the ministries, diesel fuel quotas for the operation of factory vehicle fleets will be issued to the industrial ministries for distribution to the subordinated centrally managed sectors as of 1 January 1982.

This procedure is currently being tested by 11 industrial ministries.

The issue of 1982 fuel quotas for factory vehicle fleets proceeds in conjunction with the State Planning Commission's plan documents handed to ministries simultaneously with balancing shares for the use of freight transport services provided by public transportation.

Upon receipt of the state plan targets, enterprises must inform the competent organs of their carriers regarding the dimension of the transport indices for public transportation and factory fleets as well as the diesel fuel quota issued them.

From 1982 on the ministries (for centrally managed combines) and bezirk councils (for locally managed combines and sectors) within the scope of the TBAO assume responsibility for planning their factory fleet operations and, therefore, the drawing up of state targets or plan targets for the services of factory fleets in their sphere to agree with the diesel fuel quotas issued by the State Planning Commission.

The new elements of the transport planning procedure also require a higher standard of the work with transport balances. Consonant with the balance pyramid, the following transport balance organs now exist in connection with the central transport committee or local transport committees:

Ministry for Transportation	--	for the GDR transportation balance
Bezirk councils	--	For the transport balances of bezirks (including DR and inland shipping)
Kreis councils	--	For the road transport balance of the kreises.

The transport balances are the tool for balancing the necessary transport services with the transport capacities of the various carriers and, therefore, the basis for drawing up the state plan indices in terms of tons and ton/km for the economy and the carriers as well as the determination of joint measures for the more intensive utilization of transport capacities and for transport rationalization.

Another new and significant element is the introduction of quarterly transport planning in conjunction with the quarterly planning of industrial and farm production. Quarterly plans for transportation will be drawn up in order to produce an even closer link between output, sales and transport plans in the implementation of the economic plan.

The ministries will submit their transport requirements for the following quarter 6 weeks before to the Ministry for Transportation so that the Council of Ministers decision may be prepared. The transport allocations, broken down to enterprises after the issue of the government decision, represent the basis for the monthly use of transport services.

Quarterly planning will enable us to even more purposefully affect the rise in the smooth flow of usage and the reduction of transport services.

At the same time coordination will be facilitated with the monthly transport planning in the scope of plan implementation.

The competent ministries and balancing organs of the transportation system must exercise supervision of the observance of transport indices. If divergences are excessive, the transport committees must discuss them and issue decisions.

Within the framework of transport planning special regulations apply to the planning of road freight traffic. In accordance with the principles of the division of labor, road transports should ensure unit traffic across short distances only.

Here the capacities of factory fleets are to be included. Bezirk transport balances including road freight transport will be submitted to the Ministry for Transportation and form part of the GDR's transport balance. They are to be subdivided into ministries.

Reviews have shown that enterprises in the economy still fail to make adequate efforts with regard to reporting, observing and undercutting transport indices. Many dispatch enterprises still know nothing about the actual consumption of transport services, do not record tons and tons/km per carrier. Sometimes not even transport costs are recorded on their own. The ministries therefore lack comprehensive data.

The improvement of reporting is thus a matter of priority. The improvement of the quality of transport planning and reporting is possible only in a struggle against routine and traditional attitudes and behavior.

It is imperative consistently to enforce the new transport balancing order and thereby to provide an important contribution to the lowering of the nationwide transport expenditure.

Freight Transportation Decree (GTVO)

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[Article by Dr Ehrhard Thiele, chief, Law Department, GDR Ministry for Transportation; member, DDR-VERKEHR editorial board; and Heinz Oechlles, jurist in the same department of ministry: "The GDR's New Freight Transportation Legislation--The Decree on Public Freight Transportation Via Railroad, Inland Navigation and Motor Vehicles--Freight Transportation Decree (GTVO)"⁷

[Text] The decree on public freight transport via railroad, inland navigation and motor vehicles--freight transportation decree (GTVO)--is to take effect in 1982.

This article intends to explain the most important features and basic targets as well as the essential content of the decree.

Mentioned in this connection are significant aspects of the targets, the build-up and organization as well as the scope of application of the decree. It outlines the tasks of the Ministry for Transportation, other state organs, economy managing organs and combines in the management, planning, organization and further development of freight transports as well as principles of socialist cooperation between those involved in freight transportation.

The SED Central Committee Report to the Tenth SED Congress states: "Considering the needs of the future, it is important constantly to perfect the socialist legal system. That includes the review or revision of such laws and other legal regulations as no longer conform to the respective stage of development."¹ This basic strategy of the party of the working class regarding the steady advance of the socialist state and legal system is met by the further development of the GDR's inland freight transportation legislation. It is expressed in the decree on public freight transportation via railroad, inland navigation and motor vehicles--Freight Transportation Decree (GTVO)--and subsequent legal regulations intended to take effect in 1982. In the following we will explain the basic targets and essential content of the decree. Regarding the implementing regulations, see the specific articles in this issue of DDR-VERKEHR.

1. On the Targets of the New Decree

1.1. The Minister for Transportation has precisely outlined the targets arising for the transportation system from the Tenth SED Congress resolutions. The application of the 10 key issues decided upon by the party congress with regard to the economic strategy for the 1980's mainly implies the following for the transportation system:

- The more realistic ascertainment, inclusion and planning of nationwide transport needs,
- The further optimalization of delivery and transport relations,
- The most favorable division of labor among the carriers; this emphasizes the greatest possible energy conservation,
- The rational organization of transport processes within the various sectors of the transportation system.²

This basic strategic orientation must be backed by socialist legislation. The transport decree (TVO) of 28 March 1973 (GBl I No 25 p 233) significantly contributed to the improvement of cooperation relations between the carriers railroad, motor vehicles and inland navigation on the one hand and transport customers on the other. As a consequence of the joint responsibility originating therein for the assurance of smooth flowing and efficient freight transports, relations have developed on this basis between the carriers and the customers, which are characterized by socialist cooperation of those involved in freight transports. However, the TVO's overall targets and the resulting rights and duties of those affected no longer meet the needs of the 1980's in regard to inland freight transportation legislation.

1.2. Taking effect in 1982 is the decree on public freight transportation via railroad, inland navigation and motor vehicles--Freight Transportation Decree (GTVO)--including implementing regulations Nos 1-8. Losing effect at the same time are the transport decree of 1973 and its implementing regulations.

The GTVO is the first legislation in the GDR uniformly applying to all stages of inland freight transportation and largely regulates them for the three most important inland carriers both uniformly and comprehensively. It consists of the principles for the management, planning and organization of public freight transportation,

for the division of duties and the cooperation of the carriers railroad, inland navigation and motor vehicles, including the transport-related transshipment of freight. It also includes the principles, applicable to all carriers, of the organization of cooperation relations with transport customers in the preparation, execution and completion of freight shifting in loading, large and medium containers as well as in the shape of small packages.

The new freight transportation legislation builds upon the tried and tested provisions of the transport decree and its implementing regulations as well as the freight legislation now in force. It develops these regulations in accordance with the demands of the 1980's arising from the Tenth SED Congress directive, accompanied by the realistic appraisal of the resources and potential of those involved in freight transportation and the respective stage of development achieved.

The directives issued in earlier years by the GDR Council of Ministers regarding the assurance of nationwide justified transportation, the guarantee of discipline, order and safety in freight transportation, the optimum utilization of transportation capacities as well as the acceleration of circulation and reduction in damage to the means of transportation, represent another important basis. The transport-relevant orientations arising therefrom have lost none of their topicality and are reflected in the new freight transportation legislation in the form of definite legal duties of all those involved in freight transportation.

These duties are directed in particular

1. To the reduction of social transportation expenditure in the national economy as a whole by way of the intensification of cooperation among those involved in freight transportation, especially at the points of junction. In conformity with the principles of the contract law, the transport coordination contract is designed to be the specific type of contract applicable to the long-term organization of this cooperation in terms of commercial law. In future this type of contract will result in the improved cooperation of the partners in accordance with the most far reaching standardizing principles possible.

2. To rationalization by the carriers as a result of the optimum organization of transportation processes and the optimization of transport routes. This will focus on the division of functions among the carriers, oriented to technical, technological, managerial and--most of all--energy-related requirements, in conjunction with the simultaneous intensification of their cooperation in matters division of labor.

3. To the reduction of the social transportation needs by the transport customers. Involved here is particularly the optimization of delivery relations and the organization of products, production and technology oriented to transportation requirements.

2. On the Structure and Organization

In the interest of the greatest possible practicality and clarity of the freight transportation legislation, the legal scheme proven for many decades has been retained. Accordingly

-- The GTVO as the decree issued by the Council of Ministers

includes the stable transportation and legal principles for public freight transportation,

-- Implementing regulations or orders

include the stable legal regulations for the rights and duties of those involved in freight transportation and their efficient cooperation in conformity with the technological processes of a carrier or the complex tasks involving several carriers,

-- The TVA /rate and traffic schedule/ publications

include the traffic regulations subject to rapid changes due to the dynamic development of freight transportation processes and the further perfection of cooperation among those involved in freight transportation and their legal organization.

3. Tasks of the Ministry for Transportation (MfV), Other State Organs, Economy Managing Organs and Combines in the Management, Planning, Organization and Further Development of Freight Transportation (Articles 2, 3 and 4)

3.1. In article 2 the GTVO lists the most important tasks of the Ministry for Transportation to guarantee efficient freight transportation.

-- Meeting the economically justified need for freight transportation and

-- The issue of instructions regarding the reduction of nationwide transport expenditure, their coordination with other state organs and supervision of their implementation.

Implementation of these targets calls primarily for

-- The exact planning and balancing of transport capacities

-- Keeping available generally employable transportation and transshipment resources at the carriers and their transshipment enterprises

-- The comprehensive utilization of socialist rationalization and intensification as well as scientific-technological advances

-- The organization and enforcement of an economically justified energy-optimum division of functions among the carriers.

3.2. In clear definition of targets--and outside the responsibilities of the Ministry for Transportation--the GTVO includes tasks for the state organs, economy managing organs and combines of the other sectors of the national economy regarding the planned development, rational conduct and speed-up of freight transportation. Key issues here are the reduction of the nationwide need for and expenditure on transportation in the respective sphere of responsibility, the optimalization of delivery and transportation relations as well as the preparation, observance and enforcement of production or service related transport normatives.

All those involved in freight transportation share the responsibility for the utilization of the means of transport, the smooth flowing use of the freight space and the observance and undercutting of loading and return time limits. The GTVO emphasizes the implementation of these tasks as key points of the work of state organs, economy managing organs and combines.

In addition to the orientation to other key issues such as the increasing establishment and further development of factory fleet cooperatives and the obligation of local state organs to encourage socialist cooperation among those involved in freight transportation (article 4 paragraph 3), these articles represent a significant advance in socialist freight transportation legislation. According to these articles, state organs, economy managing organs and combines must at an early stage coordinate with the transportation enterprises all qualitative and quantitative changes in material production, which affect freight transportation and transshipment, so that public freight transportation may adjust as per plan to the changed requirements.

4. Principles of Socialist Cooperation Among Those Involved in Freight Transportation (Article 5)

One of the main targets of socialist freight transportation legislation is the steady evolution of socialist cooperation among all those involved in freight transportation. Based on the satisfactory experiences gained in the operation of the TVO, the GTVO emphasizes key issues. One of the crucial factors involved is the need, if possible, to conclude long-term contracts and steadily further develop the most advanced forms and methods of socialist cooperation for the accomplishment of all freight transportation tasks. The focus of conscious collaboration between the enterprises of transportation and their transport customers should be on the further establishment of factory fleet cooperatives and the beginning or further development of inter-enterprise socialist cooperation on the basis of the Odessa/Iliychovsk method at the points of junction of transportation. Interesting aspects of this type of cooperation, in particular between the railroad and its partners, were described in issue No 7/80 of DDR-VERKEHR⁵ and No 3/81 of EISENBAHNPRAXIS.⁶

5. Transport Committees (Article 6)

The transport committees and their organs occupy key positions in the accomplishment of the challenging tasks arising from the rapid and dynamic growth of the economy for the transportation system. In the transport committees representatives of state organs, economy managing organs, combines and enterprises consult with the enterprises and organs of the transportation system on outstanding problems and basic issues. The GTVO builds upon the experiences gained earlier with regard to transport committees and largely confirms the principles which have proved their worth.

Article 2 letter g of the statute deals with another priority tasks of the ZTA /central transportation committee/: The discussion of traffic regulations. Defined as traffic regulations in the meaning of article 2 paragraph 2 letter g GTVO are those provisions applying to freight transportation and transshipment also, which are published as instructions by the Minister for Transportation in the official publication of the Ministry for Transportation⁸--TARIF- UND VERKEHRSSANZEIGER

TVA--on the basis of article 30 GTVO. This new provision in the ZTA statute ensures that important traffic provisions to be published in the TVA are discussed by the ZTA plenum. In addition article 4 paragraph 3 of the statute provides that regulations affecting the economy must first be agreed with the ZTA members.

6. Division of Functions in Freight Transportation, Transport Planning and Balancing (Articles 7 and 8)

In another section this issue of DDR-VERKEHR deals with the division of functions, transport planning and balancing. Let us merely point out here that the GTVO provides the legal framework and basic orientation for these important tasks of freight transportation and its codification.

Further details will be issued in implementing regulations or other traffic regulations, especially with regard to transport planning.

7. Transportation Duty (Article 9)

For the first time in GDR freight transport legislation, the transportation duty is uniformly established. Up to now this did not exist with regard to motor vehicles or inland shipping. The most important principle states that a transportation duty arises from the stipulations of article 9 paragraph 1 letters a-c whenever, within the scope of the assigned plan targets for the use of freight transportation services, an economically justified transportation need exists, and that as a rule it involves the carrier who, as per article 7 GTVO, is able to carry out the transport with the least economic expenditure.

8. GTVO Contracts in Terms of Commercial Law (Articles 10-14)

Business contracts regulated within the scope of the GTVO represent an important management tool for the realization of the main concern of the freight transportation decree, that is the accomplishment of all freight transportation tasks, by the inclusion of all those involved in freight transportation in the processes of management, planning, organization and operation. It is the common prime function of these contracts to exploit the respective and specific legal means, opportunities and necessities for the purpose of guaranteeing the accomplishment of all freight transportation tasks. The GTVO contracts concluded in terms of commercial law are at one in this purpose. The specific requirements of the relations, which tend to vary considerably, as well as of the respective objective of the regulations or services made it necessary to provide new definitions for the various types of contract in the interest also of easier handling in practice. Some of the legal principles tried and tested in earlier practice were retained or further developed.

8.1. The Transport Coordination Contract (Article 10)

A new feature is the introduction of the transport coordination contract. This comprehensive business contract is designed to coordinate cooperative measures in the common accomplishment of freight transportation tasks and provide long-term contractual settlements. This type of contract represents the total of experiences gained in the cooperation between transport enterprises and transport customers at the points of junction of freight transportation. The GTVO has generalized these

experiences and--taking into account the respective enterprise and local possibilities--orients to key issues of the transport coordination contract without describing them in great detail. The following principles are to be observed:

- There is a legal obligation to conclude a transport coordination contract if the efficiency of freight transportation may be improved and transport expenditure reduced thereby.
- The textual target arises from article 10 paragraph 1 letters a-f. It is to extend comprehensively to the exploitation of all possibilities for cooperation in freight transportation.
- If the conditions called for in the GTVO are present, the conclusion of a transport coordination contract may be imposed with the aid of the contract court.
- The transport coordination contract does not replace other special contracts provided for by the GTVO to secure the management, planning, organization and execution of freight transportation. In particular it cannot alter the extent of material responsibility provided for in the case of the breach of such contracts. The object of transport coordination contract may be measures involving the purposeful satisfaction of obligations arising from special contracts. In conformity with the principles of the contract law, further penalties may be agreed for the neglect of comparable duties arising from the transport coordination contract.

By its nature and function the transport coordination contract may be described as a service preparatory, service promoting and service ensuring comprehensive business contract in the field of freight transportation.

It should become accepted practice as soon as possible. Every effort must be made to ensure that the many existing contracts are improved in accordance with these terms and requirements of the GTVO. It will be most important for managers of the transportation and economic enterprises fully to utilize the opportunities offered by this contract.

To secure significant economic targets the GTVO, article 10 paragraph 2, continues to provide for the possibility that, in conformity with the above named targets, special agreements may be concluded between the MfV and central state organs or combines. It is now expanding this opportunity to include combines also.

8.2 The Transportation Contract (Article 11)

The transportation contract is the special bilateral business contract to actually settle relations between transportation enterprise and transportation customer, which arise in the preparation and conclusion of freight transportation for a plan year. The transportation contract also serves steadily to further develop and deepen the socialist partnership relations of all those involved in freight transportation. The importance of the transportation contract as a planning tool is enhanced by the compelling requirement of article 11 GTVO for state plan indices for the use of freight transportation services to be the basis of all transport contracts. The terms of the GTVO and its subsequent regulations for the organization

of transportation contracts are not settled in complete detail. Further rights and duties regarding the exploitation of all local reserves in the interest of speeding up the transportation process are to be agreed. The conclusion of the transportation contract is mandatory within the scope of the terms listed.

8.3. The Freight Contract (Article 12)

In contrast to the transportation contract which settles relations in the preparation and completion of freight transportation, the freight contract is the legal tool for organizing cooperation between transportation enterprises and transportation customers for carrying out transports (changing the location of the freight). It is the logical continuation of the relations established by the transportation contract. It is a characteristic feature of the freight contract that a third party, the recipient, is involved in the contract. If the terms of the GTVO or its subsequent regulations are met, the recipient accedes to the freight contract in addition to the transportation enterprise and the dispatcher of the freight as the original partners. To secure the smooth and rapid change of location of the freight, few opportunities are offered for diverging from the exactly regulated rights and duties of the partners.

8.4. The Transshipment Contract (Article 13)

The process of concentrating freight transshipments at car loading junctions, carried out in recent years on the basis of GDR Council of Ministers resolutions, has been largely concluded. The GTVO and its fourth implementing regulation (DB)--regulations for freight transshipments--therefore logically no longer orient to concentrated transshipment but basically to the transshipment of freight by enterprises which have the necessary facilities. The terms for the transshipment of freight, the rights and duties of the partners, are settled in the transshipment contract. Here the fourth DB to the GTVO builds on the experiences gained with regard to the transshipment contract by the transportation decree (TVÖ).

8.5. Other Contracts (Article 14)

Given the many kinds of relations between those involved in freight transportation, new types of cooperation arise, which are either not at all or only partly reflected in the business contracts earlier described (see the transport coordination contract), as dealing with the organization of freight transportation. These include, among others, switching service, repair and connexion railroad contracts. In the meaning of the contract law these contracts always represent special contracts involving a special service.

9. The Regulation of Material Responsibility Within the Scope of the GTVO (Articles 25-28)

9.1. The accomplishment, appropriate as to date and quality, of freight transportation services (considerably increasing in the Five-Year Plan through 1985) requires a resolute effort for the fulfillment of transportation plans. This includes the further diminution of damage to freight and to means of transport, circulation delays and the incomplete exploitation of means of transport as well as excesses of loading and unloading time limits. Every manager is fully responsible

within his sphere of responsibility for the strict enforcement of order and safety in the transportation process. Unfortunately analyses and checks of this group of tasks have shown that not all managers at all times consistently apply and enforce the law. It is therefore vitally important to take heed of the statement by Willi Stoph, chairman of the GDR Council of Ministers, at the Tenth SED Congress: "The conscious use of socialist law and its implementation serve the strict observance of order and safety and must be mainly directed to the prevention of offenses of all kinds."⁹

9.2 The most important principles are:

- The new freight transportation legislation does not provide for any basic changes in the extent of material responsibility in the case of dereliction of duty in freight transportation. General commercial law is the basis of the provisions respecting responsibility. The extent of the responsibility of carriers was settled in conformity with the traffic legislation of other socialist countries and international traffic law. At the moment no extensions are possible given the stage of development and the capacity of the transportation system.
- In conformity with the respective decisions by the GDR Council of Ministers and in the interest of the optimum utilization of all transport capacities, it will be necessary to retain the special nature of penalties for derelictions of duty which are liable to result in circulation delays of the means of transport, in damage and the unauthorized use of means of transport and ancillary means of transport; no exemption is possible from the legal consequences of responsibility.
- Transportation and transshipment enterprises guarantee the full replacement of direct freight damage. In the case of total or partial loss of freight, compensation is payable at the fixed price or present value of the freight. Dropped for this purpose is the limit of M100 per kg of weight for compensation payments, which used to be part of the legal regulations governing the railroad. (The exception made for inland shipping in article 50 paragraph 1 of the second DB is due to technological reasons.) No other compensation (for loss of profit, for example) is payable (article 26).
- Transportation and transshipment enterprises are not responsible for damage arising as a result of causes fully listed in article 27 letters a-h. Following a Council of Ministers decision, the responsibility for transportation in open freight cars was newly settled. The so-called "open freight car danger" in the carriage of freight by rail was abolished.
- Transportation customers must pay compensation to the transportation enterprise in the case of damage to means of transport, ancillary means of transport and means of loading as well as to transshipment and traffic facilities (article 28 GTVO).

10. On the Scope (Article 32)

10.1. The GTVO applies to all transportation customers who are subject to the scope of the contract law (in the case of the DR this accounts for more than 99 percent of

customers). On the part of the carriers it includes, in addition to the railroad, transportation enterprises of all types of ownership in motor vehicle traffic and inland shipping. However, it also applies to enterprises of other economic sectors if their motor vehicles are used for public freight transportation on the basis of the coordination decree of 11 September 1975.³

10.2. International agreements apply at all times with regard to transportation customers domiciled outside the GDR. The GTVO, though, expressly allows for the application of the GTVO--and therefore other traffic regulations issued on its basis (article 30)--to be agreed between these transportation customers and the transportation enterprises.

10.3. For citizens, enterprises and facilities in the German Democratic Republic not subject to the scope of the contract law, the following are applicable at this time:

- a) For public cargo transportation by rail the railroad traffic order (EVO) in the version published on the basis of order No 30 of 8 January 1970 (GBL II No 4 p 17). (A revised version is in preparation),
- b) For public cargo transportation by motor vehicle the order of 16 June 1976 on public cargo transportation by motor vehicle for citizens--Cargo Transport Order Motor Vehicles (LTOK)--(GBI I No 26 p 353; amended No 35 p 428),
- c) For public cargo transportation by inland navigation the general shipping terms for the river regions of the Elbe and Havel and their tributaries and canals--AVB--in the latest mandatory version.

In effect for all transportation customers with respect to small packages--in addition to the GTVO--is the order on small package transportation by rail and motor vehicle --Small Package Transportation Order (StTO)-- of 25 November 1966 (GBI II No 114 p 921) in the version of Order No 3 of 23 February 1971 (GBI II No 31 p 252).

11. Concluding Remarks

In the coming weeks and months it will be imperative quickly and effectively to enforce the provisions of the GTVO and its implementing regulations as issued. In addition to the responsibility of the managers, this is the great political responsibility of the legal services of the transportation system.

Based on the decree on legal assistance and by using the tried and tested forms and methods of socialist cooperation, combines, enterprises and facilities must undertake comprehensive explanatory and training work.

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Inland Shipping Regulations

East Berlin DDR-VERKEHR in German Vol 14 No 12, Dec 81 (signed to press 26 Nov 81)
pp 422-424

/Article by Klaus Sommer, engineer, chief, Main Administration for Inland Navigation:
"Legal Regulations for Inland Shipping--Cargo Transportation in Accordance With
Second Implementing Regulation for the Freight Transportation Decree (GTVO)"

/Text/ The second implementing regulation for the Freight Transportation Decree (GTVO), taking effect in 1982, settles the relations in law between transportation customers and the Inland Navigation VEB as the transportation enterprise for cargo transport on inland waters.

The second implementing regulation (DB) for the Freight Transportation Decree (GTVO) settles the relations in law between the transportation customers and the Inland Navigation VEB for cargo transport on inland waterways. It is the main concern of this implementing regulation to provide a basis in law for the process of the more intensive utilization of the ships employed in cargo transport at all times in the implementation of the GTVO, especially article 5. The new DB mentioned above sets new emphases by comparison to earlier regulations in effect for cargo transport on the waterways. This applies especially to contractual relations between the Inland Navigation VEB and the dispatcher as per the transportation and freight contract and the reciprocal information obligations to be observed for the purpose of

improving the circulation of the means of transport. Many provisions were simplified or made more comprehensible. In view of the long dominant technology of pusher/barge shipping, which accounts for 70 percent of all transports, the special provisions governing relations in law with transport customers since the time this technology first arose were adapted to present-day conditions.

The status of the Inland Navigation VEB as the sole carrier for all GDR cargo transports by way of inland shipping was retained and, in supplementation of article 18 GTVO, small package cargo included in the cargo transport of inland shipping.

Indicated in the following are the most important new provisions of the second DB:

1. Transportation Planning and Transportation Contracts

Though the old-established forms of the conclusion of transportation contracts and monthly operational transportation planning were retained, special provisions governing them are published in the TARIF- UND VERKEHRSANZEIGER (TVA). The Inland Navigation VEB is no longer obligated to submit a contract offer. This takes account of the increased use of state plan indices for the use of cargo transportation services which serve the shipper as the basis of contract conclusions. The forms for such transportation contracts continue to be held by the Inland Navigation VEB.

To be kept in mind are the restrictions of the Inland Navigation VEB's transportation duty as per article 6, which are due to the specific conditions of this kind of transportation, and the provisions of article 7 concerning the exclusion of cargo in the transportation process or on the carriage of various cargo in certain circumstances.

2. Chartering, Availability and Use of Ships

The duties regarding chartering ships and making them available are basically unchanged. If transportation is to be interrupted, the transshipment enterprise to be employed must be designated at the time of chartering (article 11 paragraph 1). The regulation concerning the evening out of any divergences from the continuous use of the transport space were adjusted to the rules in effect for the railroad and published in the TVA in connection with the settlement of transportation contracts.

Regarding the notification of the ships availability, article 12 paragraph 6 includes the Inland Navigation VEB's duty to inform the customer if a delay in the original time of such availability is expected to exceed 1 hour. This is to better enable the transport customer to prepare for the imminent loading or unloading of the ship despite the delay and thus observe the time limits for these operations. According to the provisions of article 13 paragraph 1 the same duty to inform applies for the Inland Navigation VEB even if the transportation duty is limited as per article 6 and the appropriate availability therefore delayed or made impossible.

The principles of the procedure involved in the handing over/acceptance of ships without crews between the Inland Navigation VEB and transport customers or their authorized agents are published in a separate TVA. As a result these duties (which used to be regulated only within the enterprise) have now achieved the rank of traffic rules as per article 40 paragraph 2 GTVO. That had become necessary because defects in the cooperation between the Inland Navigation VEB and transport customers tended to occur precisely in this field.

Also new is the special mention of the facts of the matter in the case of the cancellation of the charter (article 18). To enable the Inland Navigation VEB to make the ship available to another customer and, in any case, avoid unproductive laydays for the ship as well as the costs of needless delivery, cancellation should be as early as possible. For that reason ship layday fees without surcharge will be charged in case of cancellation if the ship had already been dispatched. Cancellation without penalties--excepting of course possible contract penalties for a shortfall in use--is therefore possible only before the Inland Navigation VEB has begun allocation of the transport space. Also to be noted is the provision in article 20 on obstacles to availability. This applies if the loading pier designated in the charter is inadequate for use by the ship concerned or the safety of the ship threatened.

3. Loading Times

The implementing regulation now only contains the provisions on the use of loading times; the table for their computation is published in the TVA.

There is a direct connection between the orderly notification of ships by the Inland Navigation VEB to the transport customer and the observance of loading times by the latter. That is why the beginning of loading times is now tied more definitely to the factual records of notification (article 21 paragraphs 1 and 2). No longer provided for is the 2-hour preparation time, because this was often used illegally to extend loading times. If notification has been properly made, the transport customer will now have to realize that loading time begins as soon as the ship is made available. This method has long been used by the railroad. Furthermore, the transport customer's duty to accept the notification or advice is tied directly to the loading time (article 21 paragraph 3). Permitted suspensions of loading time were extended to meet the case of an interruption needed to record damage or loss.

The observance of loading times is basically subject to the same conditions as before. To be certainly noted, though, is the extension in the duty to inform the Inland Navigation VEB about the probable completion of loading or unloading 2 hours ahead for all ships mentioned in article 24 paragraph 4. In the earlier second DB for the TVO this was prescribed only for pusher barges. This also is designed to speed up the circulation of the means of transport.

By comparison with article 20 paragraph 2 of the second DB for the TVO the possibility of compulsory unloading was more precisely defined by linking it with a considerable excess of the loading time. Moreover, whenever the Inland Navigation VEB intends to proceed in this manner, it must coordinate its measures with the competent kreis/city transportation committee. A standardized extra time allowance on

top of the normal loading time will be published in the TVA for any necessary towing to a landing pier other than agreed in the original contract.

4. Unauthorized Use of Ships

As per article 13 paragraph 3 the Inland Navigation VEB decides the availability of the ship suitable for the transport on the basis of the transport customer's charter. For that reason unauthorized use of a ship as per article 28 is already established if the ship is loaded differently than the charter provides. In future the shipper will have to be careful to observe this provision and also the circumstance that the rule on unauthorized use no longer applies to pusher barges exclusively.

5. Cleaning the Hold

The intensification of inland shipping processes requires, among others, the most far reaching avoidance possible of waste movements of the fleet. In this connection it is increasingly important to keep the hold clean. In addition to the considerable delays in circulation arising by the fact that many ships need to dock at an Inland Navigation VEB facility for servicing and cleaning before they can be loaded again, the shipper also experiences problems when confronted with the need to remove residues of cargo which he cannot utilize. That is why the issue of clean swept holds has been more broadly and precisely regulated than in earlier provisions (articles 30 and 31). Further instructions will be published as traffic regulations in the TVA.

Charges for cleaning, published in the TARIF FUER BINNENSCHIFFSLADUNGSTRANSPORTE (TBT) /Rates for Inland Shipping Cargo/, No 1, price list 1, article 5 paragraph 6, are unchanged. A uniform standardized additional time limit on top of the loading time is allowed for shippers to clean the hold.

6. Loading and Unloading of Ships According to Instructions

For the further improvement of order and safety on the waterways it is imperative to enforce the loading and unloading of ships according to instructions. The corresponding basic directives will therefore be published as traffic regulations in the TVA. As before the transport customers must consult the ships papers to inform themselves about special rules for the respective ship made available. To be noted is the fact that the transport customer will in future have to pay a contract penalty as per article 49 paragraph 3 letter b in the case of any dereliction of duty. Proper loading includes the duty to take soundings, which serves not only the ascertainment of the volume of the cargo loaded but also the safety of the ship (article 32 paragraph 2).

Article 48 of the DB more precisely defines article 14 paragraph 2 in conjunction with article 16 paragraph 4 GTVO and specifies the transport customer's duty to advise the Inland Navigation VEB about defects and damage to the ship. However, as per paragraph 2, the transport customer is authorized only with the approval of the Inland Navigation VEB to repair any damage he caused to the ship.

As in the case of the railroad, the Inland Navigation VEB also emphasizes the increased repair of damage to ships by the transport customer responsible for it. Special regulations are in effect for specific repairs as per the classification of ships by the GDR Ship Inspection and Classification Agency (DSRK).

7. Freight Law

Following upon the standardized principles of the GTVO with regard to freight law, the second implementing regulation is particularly concerned to emphasize the specific interests of inland shipping only insofar as necessary in view of the specific risk on waterways compared with other carriers. A particular effort was made to achieve regulations in conformity with the railroad, thereby facilitating the handling of legal matters by the transport customer as well as the employees of the Inland Navigation VEB. The existing legislation as issued in the general shipping terms for the river regions of the Elbe and Havel and their tributaries and canals --AVB--included some quite far reaching provisions in the field of freight legislation, which were no longer appropriate to our socialist contract system and had to be revised.

7.1. Freight Documents

Applicable in inland shipping is a standardized waybill, regardless whether bulk cargo or general cargo is loaded. A special case is the bill of lading used in import and export transactions (article 33 paragraph 4). However, this may only be issued in addition to the waybill, not as a replacement. This provision is to be noted mostly if it is necessary to amend the freight contract when the partner of the Inland Navigation VEB is the sole owner of the original bill of lading. Another special feature is the bill of delivery, the use of which is now more precisely defined by article 34. According to this provision a freight contract takes effect on the basis of the bill of delivery even before the waybill is handed over, though the bill of delivery does not replace the waybill. As the completion of loading with respect to the observance of the loading time continues to be linked to the handing over of the waybill, the obligation remains to promptly file this document.

As before the Inland Navigation VEB holds all freight documents and conveys them to the shipper for entering the prescribed data. The shipper is responsible for ascertaining the volume.

7.2. Freight Contract

Articles 35 and 36 settle the right to amend the freight contract, subdivided by shipper, authorized agent and recipient. To maintain brisk transport organization, the limitation imposed by article 35 paragraph 5 is to be observed, according to which instructions by authorized persons are admissible once only and must be given in writing.

The provisions of article 35 do not apply if a waybill was issued.

To be noted also are the restrictions on the duty of the Inland Navigation VEB to carry out directives as specified in article 36 paragraph 2.

The definition of order loading in article 37 also specifies how to handle such cases, especially if waiting times arise for the ship as a consequence of delays in the designation of the actual recipient or destination. Up to now such laydays were at the expense of the Inland Navigation VEB and resulted in delays to circulation and loss of earnings. Order loading should be used exceptionally only if in fact the final data cannot be provided by the time loading is finished, because it does make the technological process of the transport more difficult in every case. In connection with the fulfillment of the freight contract it is to be noted that the phase of unloading is no longer part of the freight contract and that--as per article 46--the Inland Navigation VEB has in principle met its obligations arising from the freight contract once it makes the ship available and files the waybill. The recipient is responsible for organizing unloading.

8. Computation and Payment of Transportation Charges

The specific instructions for computation are included in the TBT; the second DB merely lists the principles applying to the rates. To be noted are the payment instructions as per article 39, according to which the description "free" may be entered in the waybill only if the entire transportation charge, in other words not the cargo rate alone, is paid by the shipper. All other types of payment must be described as "carriage forward" in the waybill, in addition to other entries.

Increasingly to be used in order to reduce administrative costs are all opportunities for agreeing on simplified settlement procedures as per article 49 paragraph 3.

9. Terms of Delivery

In contrast to earlier provisions about terms of delivery in the second DB for the TVO, the period of the term of delivery will be published in the TVA. It has been changed to hourly divisions from the former daily division.

Included in suspensions of the term of delivery is the time needed for loading and unloading parts of the cargo as arising in the case of partial shipments.

10. Specific Features of Inland Navigation

Articles 42-45 settle the procedure and correlation of costs in special situations connected with transportation on waterways. These provisions have the force of law, especially if applying to the transfer of cargo to another carrier as per article 42.

The right of the Inland Navigation VEB to lighten or add to the load of the ships and apportion the costs (article 44) is current practice and derived from the various directives of the general shipping terms...(AVB). This also ensures that ships are not blocked by fluctuating water levels or compelled without adequate loads to operate on waterways independent of water levels.

Article 44 deals with events requiring short-term measures to protect ships and their loads from damage.

11. Computation Principles and Prescription

In the past accounting of compensation, including compensation for loss of earnings, in the case of damage to ships has tended to be difficult. The principles of articles 53 and 54 must therefore be noted in particular.

New Domestic Ship Cargo Rates

East Berlin DDR-VERKEHR in German Vol 14 No 12, Dec 81 (signed to press 26 Nov 81)
pp 425-426

[Article by Dr Wolfgang Hettler, general director, Combine for Inland Navigation and Waterways: "Rates Charged for Shiploads Transported by Inland Shipping"]

[Text] The following principles were the starting point:

1. Division into two parts of transport charges--one part independent, the other dependent on distance
2. Differentiation of transport charges in accordance with the volume of cargo to be loaded (in kg)
3. Differentiation of types of cargo by the type of goods (goods cargo class)
4. Use of rate distance.

The tremendous rise in the capacity of the national economy and the challenges to more efficient transport operations on a nationwide scale confront the uniform socialist transportation system with ever new tasks. The accomplishment of these tasks can be achieved only if the advantages inherent in every carrier are consciously utilized within the scope of a purposeful division of functions.

Inland shipping is the most energy-favorable carrier and largely contributes to the reduction in the consumption of diesel fuel. This sector of the transportation system is therefore steadily gaining in importance. It is accordingly prescribed to maximize the utilization of inland shipping capacities by shifting freight transports.

The advantages of inland shipping compared with other carriers are reflected in the following:

- A favorable ratio between payload and the total weight of the means of transport
- Low investment and cost expenditure per load capacity ton of the means of transport
- Longer life of the means of transport
- Low manpower needs per unit of performance
- Environmental advantages.

Within the scope of the socialist division of labor in the transportation system inland shipping is obligated to operate the transport of bulk cargoes in house-to-house traffic and at ratios most favorable to the ships involved, mainly in division of labor with the railroad.

Consonant with this target the new rates for inland shipping transports (TBT) therefore fit with the system of inland freight transport rates and establish new criteria for the division of labor among the carriers. In future this will make it necessary increasingly and steadily to analyze the entire chain of transport from supplier to purchaser in order to achieve the further improvement of the management and planning of transport output and carry out shifts of freight to inland shipping as per plan and consciously as well as purposefully in the interest of the national economy.

The drafting of the domestic ship cargo rates was based on the goal of having the rate stimulate the lowering of transport costs in general, coupled with the simultaneous increase in energy conservation and the full assurance of economic accounting by inland navigation. Also emphasized was the need to lower transport costs per unit of performance.

The rates apply to all customers and to those liable for payment. They do not affect the public at large, craft cooperatives, private craftsmen and businessmen, the self-employed and self-employed professionals nor enterprises and facilities of agriculture. This was done by the use of differentiated discount quotas or the inclusion of earlier price tables in the new rates.

The introduction of the domestic ship cargo rates effected new regulations only for Nos 1, 3 and 5 of the German Domestic Ship Cargo Rates (DBGT). No 2--rate distances--and No 4--skipper remunerations--of the DBGT were transferred unchanged to the TBT.

The following principles governed the conception and drawing up of domestic ship cargo rates:

1. Division of transport charges into a part independent of distance and another dependent on distance (basic rate and route rate)
2. The differentiation of transport charges by the volume of the cargo to be loaded (in kg)
3. Differentiation of types of cargo by the kind of goods (goods cargo class)
4. The use of rate distance.

The division of transport charges proceeded on the basis of dependence on costs and represents a significant element of transport rate fixing with regard to both its measuring function and its function as a lever.

The differentiation of transport charges by the volume of the cargo to be loaded is a crucial factor in the necessary transport expenditure and a most important feature for differentiating the ratio of expenditure per unit of performance.

The differentiation of the transport charge for type of cargo by goods cargo classes proceeded in step with the freight type differentiation at the GDR Railroad and is closely linked to the volume of the cargo as a price fixing element. It also takes into account certain demands on the transport container.

The use of the rate distance must always be based on the distance on the waterway. The shortest distance on the waterway is to be the basis of the rate distance.

The amount of transport charges was computed and the level of rates determined in conformity with the transportation and economic targets and keeping in mind the fact that domestic shipping is the most energy-favorable carrier.

The rates for domestic ship cargo now include another principle for rate fixing, which significantly affects the optimum operation of transports. This is a differentiation of the part of the charge depending on distance (route rate) by the type of the cargo to be carried. In future the route rate will distinguish between direct and interrupted transports. The cargo rates for interrupted transport are applicable only to ship loads preceded and/or succeeded by rail transport. The rail route before and/or after depends on the principles settled in the rates. The second DB for the GTVO settles the question when route rates are to be used.

Route rates amount to:

	For Direct Transport	For Interrupted Transport
Goods cargo class 1	9 pf/tkm	6 pf/tkm
Goods cargo class 2	7 pf/tkm	4 pf/tkm

The basic rate, on the other hand, is standardized at M2.50 per ton transported.

Canceled upon introduction of the new charges is the system, in effect until now, by which the railroad does not charge axle fees in combined railroad-inland shipping operations. In future freight charges will be computed at break rates. This means that every carrier charges the transport customer full freight for his part of the transport route.

The following examples will illustrate the effect of the domestic ship cargo rates vis-a-vis the transport customers:

1. Coal

Sabrodt--Kwh--Kirchmoeser

123 rail kilometers plus 120 waterways kilometers

M 13.53 per ton rail freight	rail freight rate only
M 1.75 per ton transshipment	351 rail kilometers = M38.60 per ton
M 0.20 per ton transfer	
M 2.50 per ton basic rate	
M 4.80 per ton route rate	

M22.78 per ton

2. China Clay

373 waterways kilometers plus 98 rail kilometers

M10.78 per ton rail freight	rail freight rate only
M 2.65 per ton transshipment	362 rail kilometers = M39.80 per ton
M 4.95 per ton transfer	
M 2.50 per ton basic rate	
M14.92 per ton route rate	
<hr/>	
M38.50 per ton	

The domestic ship cargo rates also provide for special services as well as towing and pushing services operated by inland navigation. Among the special services are

- Demurrage,
- The cession of ships for use in technical operations in ordinary and difficult circumstances,
- The cession of ships for storage purposes.

Standardized rates apply to the computation of demurrage and the cession of ships for use in ordinary circumstances. A surcharge is added for the cession of ships for use in complicated circumstances.

The computation of services for towing and pushing now proceeds only as per the carrying capacity and cargo rate. Computation by hours therefore ceases. Payment rates for these ancillary services were set in accordance with costs. Moreover these payment rates are purposefully designed to ensure that no shipping space needed by the economy is lost to the transport process. Accordingly the use of the transport fleet for special services as well as towing and pushing services will be kept as low as possible.

The aim of the new rates will be achieved if they contribute

- To the appropriate division of functions among the carriers, and
- To the lowering of nationwide transport costs.

New Domestic Freight Rates

East Berlin DDR-VERKEHR in German Vol 14 No 12, Dec 81 (signed to press 26 Nov 81)
pp 409-411

/Article by Joachim Leyendecker, economist, chief, Finance Department, GDR Ministry for Transportation; member, DDR-VERKEHR editorial board: "New Rates for Domestic Freight Transportation in the GDR"⁷

/Text/ The new domestic freight rates are designed effectively to assist the economic task of lowering specific transport needs in the implementation of the reproduction process.

The new freight rates increase the weight of transport costs in the planning and economic accounting of industry, construction and other sectors of material production as well as of trade. They direct these combines and enterprises more effectively to lower transport costs and prudently choose the most favorable carrier. Basic explanations are offered of the objectives of the rates for carload freight on the railroad, motor vehicle freight traffic and inland shipping cargoes. Also explained are important aspects of the tasks of combines, enterprises and facilities of the state economy.

The new domestic freight rates decided for 1982 are designed to assist the lowering of specific transport needs in conformity with the Tenth SED Congress resolutions and to encourage the thorough-going intensification of transport processes.

The change in domestic freight rates was necessary in order properly to reflect the socially required expenditure of live and embodied labor for transport operations and thereby provide sound foundations for purposeful work on transport costs and generally the steady improvement of the cost/result ratio.

In past years the national economy was compelled to proceed to extensive industrial price changes due to the high rate of inflation on foreign markets with regard to imports--especially of liquid energy sources--and the rising cost of our domestic raw materials production.

The result was increased expenditure by the transport enterprises to carry out their operations, while rates remained unchanged since 1967. Consequently the percentage of transport costs in total reproduction costs declined steadily and, at the same time, transport costs lost meaning. The stimulation required to be exercised by freight rates in order to minimize transports was less and less effective.

This benefited inefficient cooperation relations across long distances and resulted in a disproportionate rise in energy-inefficient long-distance road transports. These took the place of more energy-efficient and cheaper rail and inland shipping transportation in domestic traffic.

The new domestic freight rates are designed effectively to assist the economic task of lowering specific transportation needs in the implementation of the reproduction process.

The new freight rates increase the importance of freight costs in planning and economic accounting of industry, construction and other sectors of material production as well as of trade. They direct these combines and enterprises more emphatically to the reduction of transport costs and the choice of carrier most efficient from the economic aspect.

Consequently and on the basis in particular of optimum energy efficiency and the effective utilization of transport capacities, rates were so fixed that

- The average expenditures for the types of transportation are met and carriers are able to operate profitably,
- The most expensive shipments are those going long distances,
- Rail freight is cheaper than road freight,
- Freight that may be carried by inland shipping is cheaper than rail freight,
- Rates stimulate the greatest possible utilization of the available transport space,
- Rates for express and small package freight do not encourage the shift of small shipments from the railroad to postal road vehicles.

To achieve these objectives, the most important rates of the various carriers were raised at different rates. On the average the increases amount to

- Carload freight on the railroad 55 percent
- Truckloads by motor vehicle
 - .. in local traffic 79 percent
 - .. in long-distance traffic 81 percent
 - .. cartage of railcar and ship cargo loads 55 percent
- Cargo loads by inland navigation 47 percent
- Container transports
 - .. by rail 59 percent
 - .. by road 63 percent
- Small package freight by transport cooperation between rail and road
 - .. Combination road-rail-road 140 percent
 - .. Combination road-rail or rail-road 152 percent
 - .. By motor vehicle only 44 percent
 - .. By rail only 170 percent
- International forwarding services 35 percent

The introduction of the new domestic freight rates ensures that no adverse effects are suffered by the public, craft cooperatives, private craftsmen and businessmen, the self-employed and self-employed professionals as well as enterprises and facilities of agriculture, cooperatives of working fishermen on the high seas or in

coastal waters and facilities of religious communities. This will be done by the application of differentiated methods with regard to the various carriers rates. Accordingly there will be no change in the former price tables for small package, container, freight taxi transport and for the cartage of express freight and baggage as well as storage. With respect to carload freights carried by the railroad, the new rates will be converted to the former freight rates with the aid of electronic data processing. As regards the rates for road freight, inland navigation, heavy truck and furniture van carriage, differentiated discount quotas will be used with the new rates, depending on type of vehicle, distance and types of goods.

Objectives of the Rates for Carload Freight by Rail

The rates for carload freight by rail are the basic rates for the entire domestic freight rate structure. They are designed to contribute in particular to the accomplishment of the following tasks:

- Stimulate the handling of bulk freight by the railroad, including rates to encourage freight to be carried from siding to siding,
- Stimulate the maximum utilization of the railroad's transport space,
- Stimulate the shift of long-distance transports from road to rail,
- Back the establishment of through freight trains by rate differentials.

Consequently the system of carload rates of the railroad was totally reorganized. Deleted from the rates were the former axle charge and the system of minimum carload weight. The new rates are across the board rates. The price per ton kilometer rises with the distance covered.

The bases for the computation of carload freight are

- The rate distance,
- The type of freight, and
- The volume of the carload.

Freight is classified in rate classes 1-4. Freight classifications were not changed, but the types of freight in the former rate class 5 (sugar beet) were incorporated in rate class 4.

The capacity utilization of freight cars is stimulated by way of volume classes. The volume of the carload determines the classification of the shipment in one of the volume classes. The rates for carload freight include six volume classes for each rate class, ranging from 5-30 tons.

To safeguard relations to other rates and meet the costs of starting and concluding operations, that is traction services independent of distance, the new rates include minimum freight rates. They amount to M120.00 for two-axle freight cars and M200.00 for four or more axle freight cars.

The following examples will illustrate the operation of the rates:

1. Differentiated Increase Depending on Type of Freight and Distance

	Old	New	Difference	
			M/t	%
20 tons gravel				
(Freight class 4) for 60 km	7.00 M/t	7.30 M/t	0.30	4
160 km	12.00 M/t	19.30 M/t	7.30	61
20 tons electrical engineering products				
(Freight class 1) for 60 km	12.40 M/t	15.80 M/t	3.40	27
160 km	26.40 M/t	42.20 M/t	15.80	60

2. Stimulation of Capacity Utilization

1 Carload of Electrical Engineering Products for 194 km (Freight Class 1)

	Old	New	
17.5 tons	31.77 M/t	55.90 M/t	
20.0 tons	31.20 M/t	51.20 M/t	
	0.57 M/t	4.70 M/t	rate differential for greater capacity utilization

3. Increase in Consignment Volume

1 Carload Machines and Equipment for 194 km (Freight Class 1)

	Old	New	Increase
5.0 tons	43.20 M/t	93.10 M/t	115%
30.0 tons	32.53 M/t	46.50 M/t	43%
	10.67 M/t	46.60 M/t	

4. Formation of Through Freight Trains

60 Two-Axle for 339 km Sabrodt-Guestrow

Old	M1,260.00 allowance for shipper
New	M2,580.00 allowance for shipper
Increase	M1,320.00 = 105%

Objectives of the Motor Vehicle Freight Rates

Within the scope of the most efficient division of labor in terms of the national economy, motor vehicle traffic has the following principal tasks:

- To carry freight in local traffic if direct rail or waterway connections are lacking
- To collect and distribute freight in specific limits, including combined carriage with the railroad and inland navigation
- To carry special freights, furniture and certain heavy loads.

These objectives are reflected in motor vehicle freight rates.

The motor vehicle freight rates (GKT) are the most important rates. They also apply to enterprises with their own vehicle fleets for the computation of freight charges vis-a-vis third parties. Changes were made in kilometer fees, basic charges and charges for waiting time with respect to differentiated classes of payloads.

The rate system was further simplified insofar as in future only load/kilometers will be charged. The inevitable average empty/kilometer proportions were incorporated in the load/kilometers. Motor vehicle enterprises are thereby given an incentive to hold down empty kilometers.

In order to stimulate transport customers to use the more energy-efficient carrier railroad in the case of long-distance freight, a long-distance surcharge of 20-25 percent on top of the kilometer rate will be charged for motor vehicle freight to be carried more than 50 km. Exempted from this charge are certain special freights and border crossing freight. Road transport enterprises and enterprises with factory fleets must pass on the complete surcharge to the state budget; it is not part of either goods production or net production. Consequently road transport enterprises will not be tempted to carry on long-distance freight hauling.

The domestic motor vehicle freight rates include freight charges for the following types of service:

- Delivery
- Collection and distribution
- Capacity shipments
- Cartage of railcar and ship loads within 50 km as the crow flies
- Other special services and
- Ancillary services.

The following examples illustrate the rate change and the encouragement of efficient division of functions, especially between the railroad and motor vehicles:

1. Collection and Distribution

10 tons payload, 30 km, length of operation 8 hours

Old freight rate	M87.00	
New freight rate	M145.60	Increase - 67%

2. Long-Distance Haulage

15 tons payload (detergents), various distances

-- Distance: 55 km		
old freight rate	M166.85	
new freight rate	M312.64	Increase = 87%
including long-distance surcharge	M 45.79	

-- Distance: 90 km		
old freight rate	M240.00	
new freight rate	M458.33	Increase = 91%
including long-distance surcharge	M 74.93	

-- Distance: 134 km		
old freight rate	M 332.00	
new freight rate	M 641.50	Increase = 93%
including long-distance surcharge	M 111.60	

3. Comparison with Rail Rates

15 tons brown coal for 12 km

Railroad	M120.00	8.00 M/t
Motor vehicles	M 86.00	5.73 M/t
	M 34.00	2.27 M/t

9 tons iron scrap for 48 km, carriage interrupted once

Direct road transport (48 km)	M262.48	29.16 M/t
Interrupted rail transport (44 km)		
with prior road transport (4 km)		
including transshipment costs	M247.19	27.47 M/t
	M 15.29	1.69 M/t

15 tons woodwares for 134 km (with long-distance surcharge)

Motor vehicles	M641.50	42.77 M/t
Railroad	M420.00	28.00 M/t
	<hr/>	
	M221.50	4.77 M/t (sic!)

As in the calculation of carload rates of the railroad and in order to avoid other increases in costs for the carriers for some time to come and also avoid the need for more rate adjustments in the next few years, a cost reserve was incorporated in the calculation of motor vehicle freight rates, which at the present time is still to be paid to the state budget as a product-related levy. With respect to the GKT the levy amounts to 17 percent of the total amount of the invoice. This levy must also be planned and paid for factory vehicle fleets as per the legal regulations in effect.

Objectives of the Domestic Ship Cargo Rates

Inland navigation represents the most energy-efficient carrier and, taking into account its special conditions, should take over as much freight carriage as possible and fully utilize its capacities.

Given its specific features, inland navigation is suitable most of all for transports of bulk cargo such as building materials, coal and farm produce.

The new rates reflect this economic and transportation objective.

They offer the transport customers considerable cost savings when choosing waterways over railroad and motor vehicle transportation.

The entire level of the new rates is below that of railroad rates and offers economic benefits to the transport customer even if the distances on the waterways are greater than on the rail route.

Transport customers also benefit with respect to so-called interrupted transports, that is preceded and succeeded by rail carriage and the transshipment of cargo involved.

For that reason particularly low route freight rates were fixed for interrupted transports; they are actually below the rates for direct domestic ship cargoes. The system of rate fixing was not changed for the new rates for domestic ship cargoes.

The following charges were fixed by comparison with the old rates:

	(Old)	(New)
-- Basic rate per ton	M2.50	M2.50
-- Route rate--direct transport by ship per ton kilometer		
.. Rate class 1	M0.05	M0.09
.. Rate class 2	M0.03	M0.07

-- Route rate--interrupted transport
 --per ton kilometer (preceded and
 succeeded by rail transport)

.. Rate class 1	M0.05	M0.06
.. Rate class 2	M0.03	M0.04

The former special reduction of freight rates on the preceding or succeeding rail route is no longer granted, because the route rate for interrupted transport already includes this reduction.

Rate class 1 corresponds to rate classes 1-3 and rate class 2 to rate class 4 of the railroad.

The above freight computation examples show that rates for domestic ship cargo are cheaper than railroad rates, both for direct and interrupted transportation by ship.

1. Transport of 500 tons gravel from Oderberg-Bralitz to Berlin (direct ship cargo)

	Freight Charge	
	Total	per Ton
By inland ship (103 km)	M2,795.00	M5.59
By rail (79 km)	M4,345.00	M8.69
Difference	M1,550.00	M3.10

2. Transport of 500 tons manganese ore from Rostock-Overseas Port to Eisenhuettenstadt

	Freight Charge	
	Total	per Ton
-- Interrupted inland shipping with preceding rail transport to Anklam (137 km rail, 299 km inland shipping) including transshipment costs	M15,780.000	M31.56
-- Direct rail transport (363 km)	M19,950.00	M39.90
Difference	M 4,170.00	M 8.34

3. Transport of 500 tons calcereous sandstone from Ruebeland (Harz) to Eisenhuettenstadt

	Freight Charge	
	Total	per Ton
-- Interrupted inland shipping with preceding rail transport to Magdeburg (93 km rail, 259 km inland shipping) including transshipment costs	M13,480.00	M29.96
-- Direct rail transport (342 km)	M18,800.00	M37.60
Difference	M 5,320.00	M10.64

Tasks of Combines, Enterprises and Facilities of the State Economy

To implement the tasks set for reducing transport expenditure, actual calculations and reviews are to be carried out everywhere on the basis of the new domestic freight rates. It will be necessary to rethink all purchasing, cooperation, production, storage, transshipment and sales processes from the aspect of their dependence on transportation. It must be remembered that the impact of transport costs has risen considerably as the result of the new domestic freight rates. Every avoidance of unnecessary shipments, every improved utilization of the transport space means better economic results.

Road transport must be cut back in favor of the far more energy-efficient traction by rail and waterways. It will therefore be necessary resolutely to review all freight hitherto carried by trucks and ascertain whether such freight could be shifted to the railroad or inland navigation. It is imperative for the implementation of the 1982 plan for all combines, enterprises and facilities to determine the necessary measures for the rational organization of transportation processes in order to achieve, in particular, a significant reduction in energy and motor fuel needs.

Particular attention must be devoted to

- The lowering of transportation needs as a whole and to the reduction in transport distances by the optimization of delivery and transport relations
- The choice of the most efficient carrier
- The maximum utilization of transport capacities.

New Rail Freight Rates

East Berlin DDR-VERKEHR in German Vol 14 No 12, Dec 81 (signed to press 26 Nov 81)
pp 414-417

[Article by Erhard Grahl, social scientist, economist, deputy general director for economics, GDR Ministry for Transportation: "The Rates Charged by the Railway"]

[Text] This contribution offers basic explanations of the principles governing the change in the rates for rail freight, the basic outlines of the change in the rates for large container freight and the basic outlines of the change in the rates for less than carload freight.

1. Preface

In 1982 extensive price changes will take effect for services in carload, container and less than carload freight transportation.

The charges for ancillary services and local services were already amended in 1979, those for other services by the railroad and for loading services in 1981.

The differentiated rise in freight rates, especially the change in the system of determining the rates for carload freights on the railroad, is designed to direct the economy to a lowering of transport expenditure and effectively stimulate the enforcement of a more energy-efficient division of labor. Moreover, the new rail freight rates of the DR will guarantee the full efficacy of economic accounting and its ability to earn the means for expanded reproduction, coupled with the full assurance of the necessary centralized net income for the DR's general societal tasks.

The new domestic freight rates of the railroad include the following:

1. Rate for carloads carried by rail only (TWE)
2. Rate for containers carried by railroad only (TCE)
3. Rates for less than carloads carried by rail and road (TSt)

2. Basic Features of the Rate Changes for Carloads

2.1. The Extent of Price Differentials

As far as the rate system is concerned, the rates now in effect for carloads carried by rail only--GDR Railroad Freight Rates (DEGT)--are based on the first socialist rail freight rates set in 1958. The most important features of rate fixing are the division of freight charges into a part independent of distance (axle fees) and one dependent on distance (route rate) as well as the use of the rate fixing parameters volume of freight, type of freight, the number of axles of the freight car used and rate distance.

Consequent upon a critical analysis of the operation of rate fixing parameters used for these carload rates and their appraisal as well as by utilizing experiences gained with the rate policy of the socialist railway, the following principles for rate fixing were conceived for the new rail carload rates:

1. Computation of carload rates as across the board rates
2. Rate differentiation by the type of freight following the establishment of four freight classes
3. Rate differentiation by the volume of freight following the establishment of volume classes, the use of minimum volumes and special rates applicable to loaded and closed freight trains
4. Railroad rate distance.

2.2. Features of the Rate System and Its Operation

Taking into account the new requirements on the rate system for freights, the former division of freight charges in the form of the axle fee and route rate was abolished, because the stimulation of long-distance transports ensuing from this division runs counter to the need to reduce nationwide transport expenditure. Carload rates were therefore deliberately organized as across the board rates.

The establishment of constant rates differentiated by freight and volume classes has the effect of freight charges increasing proportional to distance. This distance dependence of carload rates, just as the introduction of long-distance surcharges for road freight, serves the clear purpose of noticeably stimulating the optimization of transport and delivery relations and, especially, the minimalization of distances.

This new feature of carload rates is absolutely and relatively reflected in the rising differences in the level of old and new rates:

Table 1--Comparison of the Price Standards of the DEGT (as of 31 December 1981) with the TWE

Type of freight/class of freight: Brown coal briquettes DEGT: 4M
TWE: 4A

Volume: 26.5 tons

Vehicle: Two-axle freight car

Distance (km)	Price in Marks		Rate Difference	
	DEGT (old)	TWE (new)	Marks	Percentage
50	146.30	152.00	5.70	3.9
100	212.50	303.00	90.50	42.6
200	345.00	607.00	262.00	75.9
400	610.00	1,212.00	602.00	98.7
600	875.00	1,818.00	943.00	107.8

Volume: 53.0 tons
Vehicle: Four-axle freight car

Distance (km)	Rate in Marks		Rate Difference	
	DEGT (old)	TWE (new)	Marks	Percentage
50	292.50	292.00	- 0.50	- 0.2
100	425.00	583.00	158.00	37.2
200	690.00	1,166.00	476.00	69.0
400	1,220.00	2,332.00	1,112.00	91.1
600	1,750.00	3,493.00	1,743.00	99.6

The continuing price differential for types of freight is reflected in the four-class organization of the TWE.

Though, from the aspect of the reflection of transport expenditure, two classes would have been enough, it was not possible to realize a radical reduction of the four classes of freight due to the considerable financial effects arising therefrom.

The type of freight scale is reflected in the lowering of rates from freight class to freight class. For the TWE this means a range of 1 : 2.18 (DEGT range 1 : 2.57) between the lowest and the highest freight class. The total range of the TWE scale--the ratio between the final rate of the lowest freight class and the beginning rate of the highest freight class--amounts to 1 : 4.4 (for the sake of comparison: Carload rates of the CSSR Railway 1 : 2.41, of the Polish Railway 1 : 4.28) and provides an idea of the rates operation arising from the combination of the various price differentials--ascertainable in the combination of the freight and volume classes (see table 2).

Table 2--Total Range of the TWE as Percentages (shown for a distance of 200 km)

Freight Class	Volume Class					
	5 tons	10 tons	15 tons	20 tons	25 tons	30 tons
1	436.4	305.5	261.8	240.0	226.8	218.1
2	316.4	221.4	190.0	174.1	164.5	158.1
3	239.5	167.7	143.6	131.8	124.5	120.0
4	200.0	140.0	120.0	110.0	104.0	100.0

As regards the differential by volume, this is based on the consideration that freight costs per performance unit decline with increasing freight volume. This price differential is reflected in the freight rates in various ways and was realized in the DGT, for example, especially by the use of the freight computation minimum volume (Fbm_g) and payment for the shipment of loaded closed trains. Despite

its weaknesses, due mainly to the limitation of its effects by the amounts involved, the Fbm_g in conjunction with the axle fee has certainly had a considerable influence on the improvement of the capacity utilization of freight cars.

In the interest of raising the effect of the rates and the increasing adjustment to the rate structure of other railway administrations, the new freight rates introduce direct price differentials by volume in the form of volume classes. This volume scale is so organized that 6 grades at intervals of 5 tons each were fixed. Based on the basic freight rates per freight class, the rate appropriate for the respective volume was computed in accordance with the range of the volume classes of 1 : 2. Consequently the same increases arise for all freight classes on top of the rate for the 30-ton class (see table 3).

Table 3--Percentage Ratio of Rates by Volume Classes

Volume Class	30 tons	25 tons	20 tons	15 tons	10 tons	5 tons
Percentage Range	100	104	110	120	140	200

This volume scale results in a degression of the freight charge per ton as the volume increases.

The introduction of the 25-ton and 30-ton grade is exemplary by comparison to the freight rates of other railway administrations and stimulates the use of large-space freight cars.

Moreover, these rate effects are emphasized in freight charge computations by the fixing of differentials for minimum volumes (Fbm_g's).

An important and effective type of price differential by volume is represented by the bonus for the delivery of loaded and closed freight trains. By comparison to the transport of single carloads, the cost per car involved in the dispatching, train formation and running of a loaded and closed freight train is definitely less. This fact is taken into account and the transport customer reimbursed for his additional expense as well as given an additional material incentive for the provision of loaded and closed freight trains. This type of incentive has been in effect since the 1958 rate reform, but its effect has now been strengthened (see table 4).

Table 4--Development of Bonuses for the Delivery of Loaded and Closed Freight Trains

Example: Type of freight: Brown coal briquettes
 42 two-axle freight cars
 Volume per freight car: 26.5 tons
 Distance: 110 km
 Assumed savings of regrouping: 2

	DEGT (as of 1.1.1958)		DEGT (as of 31.12.1980)		TWE	
			Freight in marks per			
	Rail Car	Train	Rail Car	Train	Railcar	Train
Bonus	124.80	5,241.60	225.80	9,483.60	334.00	14,028.00
	-	46.00	15.00	630.00	33.00	1,386.00
%	-	0.9		6.6		9.9

2.3. Principles and Special Features of Rate Computation as per the TWE

In conformity with the rate fixing described in the earlier sections, freight computation is based on

- The volume of carloads,
- The rate distance, and
- The freight class.

The volume deemed liable for freight charges is the actual volume, rounded off to the nearest 100 kg; to be taken into account are the stipulated minimum volumes for various freight cars, the various volume classes and certain freights (capacity utilization freight). Each freight class has six volume classes and special rates for 100 kg; they are the 30-ton, 25-ton, 20-ton, 15-ton, 10-ton and 5-ton volume classes.

Charged as minimum freight rates are

- For freight cars with two or three axles M120.00
- For freight cars with four or more axles M200.00

The TWE also includes some special provisions and blanket rates for certain freight and freight cars, for example for rail vehicles running on their own wheels, buffer cars, unusual freight, freight on flat cars and also for freight carried in leased and private rail cars, special and passenger trains; for factory owned trains running on GDR Railway routes and the computation of payments to those transport customers who are designated to still be charged freight rates as per the price status of 31 December 1981.

3. Basic Features of Changes in the Rates for Large Container Freight

When container freight was first introduced in the GDR (in 1968), freight rate fixing was confronted with the need effectively to assist the progress of this modern transport system by economic incentives and, by means of freight rate, encourage the economic interest of transport customers in the use of this new type of freight transportation.

At that time, taking into account the cooperative links between rail and motor vehicle transport, special price parts were adopted for railroad and motor vehicle haulage as well as container handling. These were included in the container freight rates introduced as part of rail freight rates.

In consideration of the fact that containers mainly replace carloads, the rate system and standard of charges for the price part railroad freight was largely adjusted to rail freight rates.

This resulted in the application of the following rate fixing factors

- Container unit,
- Class of freight,
- Railroad route rate

and in a greater differential for container units by

- Four large container groups and two medium container categories,
- Six large container or medium container rate classes based on a four-class scale of types of freight (principle of space utilization).

Decisive for the definition of the container rate class were different capacity utilization scales (computation weights).

The standard of rail freight rates was determined by the conversion of the axle fee in the rail freight rate to the container unit as well as by the differentiated use of route rates for rail freight classes 2, 3 and 4.

The expectations regarding the price effect were met in part only. Considered now therefore was the possibility of greatly simplifying the container rate structure.

The provisions and payment for the transport of large containers (GC) and medium containers* are now fixed in a separate rate, the rate for container transports by rail (TCE). Included in the TCE also is the list of places and railroad depots handling GC transports.

Payment for the transport of large containers is made up of

- The charge for railroad transportation,
- The fee for the use of railroad owned large containers,

* Rates for the transport by rail of freight in railway owned medium containers and privately owned containers are computed as per the provisions of the rail freight rates (TWE).

- The fee for handling large containers or the conversion of freight cars loaded with large containers,
- The freight charge for the delivery or collection by motor vehicle, and
- Miscellaneous fees.

The new rates castly simply the fixing of the price part rail freight.

Analogous to the method of computing rail freight rates, a constant rate was established per container kilometer and differentiated by container groups. This signifies the organization of the price part rail transport as an across the board rate.

The freight rate and other payments are separately computed for each large container.

The freight charge per large container and kilometer amounts to the following for large containers of

-- Group 10	M0.80
-- Group 20	M1.60
-- Group 30	M2.40
-- Group 40	M3.20

A minimum distance of 50 km is assumed in the computation of the freight charge.

The price part motor vehicle haulage for the delivery and collection of containers by motor vehicle was established on the basis of the motor vehicle freight rates (GKTO), using the following factors for rate fixing

- Container group and
- Distance by road.

The prices computed for rail and road transport are shown recorded in freight tables. All other payments are included in the fee table, for example for

- The use of railroad owned large and medium containers,
- The handling of large containers as well as loading or unloading of large containers on or from a freight car,
- Motor vehicle haulage services in connection with the delivery and collection of large and medium containers by truck or outside the freight contract.

4. Basic Features of the Change in the Rates for Less than Carload Freight

The process of reorganization of less than carload freight carriage, proceeding in the GDR since the late 1950's, offered an opportunity for enforcing a new standard of regulations governing relations in transport law and the organization of freight rates.

Accordingly a common rate was introduced in 1967 for the transport partnership GDR Railway/motor vehicles, within the scope of the industrial price reform.

These "Rates for Freight Traffic--Less Than Carload Freight by the GDR Railway and Motor Vehicle Traffic (GSt)" facilitated a standardized, thorough and simple computation of freight charges consonant with the standardized organization of less than carload freights.

In accordance with the principles then stated, the fixing of the TGSt had to be based on the average level of the rates of the sectors of transportation in effect until then (less than carload freight rates of the railroad (DEGT, No 6) and motor vehicle haulage (PAO No 694).

The assessment and valuation of the various factors for setting the rate therefore needed to be modified so that the establishment of computation of a standardized house-to-house rate could be made possible.

These premises resulted in price differentials governed by the following considerations:

- Use of the rate fixing factors freight volume and distance (as the crow flies)
- Division of less than carload freight rates into a price part each for railroad and motor vehicle haulage
- Division of the rail freight charge into a price part independent of distance (forwarding charge) and a price part dependent on distance (route rate).

A standardized computation base for distance by rail and road was needed to set a standardized freight rate. This arose by the use of distance as the crow flies and on the basis of a special process of ascertainment. The territory of the GDR was divided into square with 10 km long sides, and every place given the appropriate square number. The rate distance is always the straight line between the centers of the respective squares of the places of origin and destination.

The rail freight part rate is composed of the forwarding charge and the route rate. The level of both part prices was fixed in relation to the axle fee and a specific route rate of the carload rate.

The route rate had to be fixed in a graduated manner so as to compensate the divergence between the distance as the crow flies and the rail distance rates of the DEGT.

The part of the rate for motor vehicle haulage was computed by way of a weight-related graduated average rate. The features of rate fixing described were basically retained for the new rates for less than carload freights of the railroad and motor vehicle traffic (TSt). Only the part prices mentioned were raised across the board by the price change quotas fixed in a differentiated manner for rail and motor vehicle freight.

The following are the base of the computation of charges:

- The real volume of the shipment in kilograms
- The distance between the places of origin and destination.

The rates computed for shipments up to a volume of 5,000 kg are listed in the various freight tables. Depending on the carrier combination possible for the shipment between rail and road, basically three different freight tables are used.

In addition to general provisions for computing charges, the less than carload freight rates include some other instructions, for example regarding

- The use of pallets and small containers,
- Shipments in border crossing traffic,
- Ancillary services.

5. Concluding Remarks

In summation we may characterize as follows the new standards of the rates for carload, container and less than carload transportation by the railroad included in the price changes:

In view of the fact that rail freight rates

- Were fixed on the basis of the estimated socially necessary expenditure and therefore basically reflect transport expenditure, and
- By the changes in significant system features are better adapted to changed production and realization conditions,

the effect of rail freight rates is considerably strengthened both externally with respect to the transport services to customer combines and enterprises and internally with regard to the management of the railroad itself.

The restoration and improvement of its measuring and stimulating function has provided a basis for transport charges for rail freight to act as a genuine and effective criterion of transport demand for the transport customers and the transport offer for the transport enterprise.

In this respect the operation of the new freight rates for rail transportation is directed to

- Assistance for the process aiming at reducing nationwide freight transport needs,
- The choice of the most energy-efficient carrier by the further perfection of the division of functions among the sectors of transportation and within the railway among the various service sectors,
- Assistance for the rationalization of rail freight transportation, that is in particular the efficient use of means of transport by the use of the most appropriate means of transport, their greatest possible utilization, by the reduction of empty runs and stopovers, and by the further development of modern transport technologies.

New Motor Vehicle Freight Rates

East Berlin DDR-VERKEHR in German Vol 14 No 12, Dec 81 (signed to press 26 Nov 81)
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/Article by Guenther Thiele, engineer, chief, Main Administration for Overland Transportation, GDR Ministry for Transportation: "The Rates Charged for Motor Vehicle Transportation"/

/Text/ Illustrated are significant aspects of the Motor Vehicle Freight Rates (GKT), the rates for heavy freight transportation (TSL), the rates for haulage by special furniture trucks (TTM), the rates for freight traffic by taxi (TCV), the rates for the delivery and collection of express freight and baggage as well as storage (TERL) and the rates for less than carload freight carried by the railroad and motor vehicles (TSt).

The rate changes taking effect in 1982 for the haulage of freight by motor vehicles in the GDR are designed to encourage the efficient division of labor among the GDR Railroad, motor vehicles and inland navigation. The new rates more effectively direct combines and enterprises to the lowering of specific transport needs and to the choice of the most economical type of carrier.

The rates are based on the estimates of socially necessary expenditure, so that they may act as economic incentives and result in lower expenditure for a lengthy period of time.

In conformity with our policy toward cooperatives and private business, care has been taken that no income changes arise for private carriers from the rate changes and the use of the new rates.

To enforce the use of the more economical rail freight transportation rather than motor vehicle haulage, the motor vehicle enterprises and transport customers are directed to use motor vehicles mainly for local traffic.

1. On Rate Fixing

The new rates were drawn up on the basis of the resolutions on the improvement of the efficacy of domestic freight rates for efficient transport operations. State price and cost norms were the bases for the drawing up of rate directives and payments for the period of application envisaged.

The new rates for motor vehicle freight are so adjusted to the rate structure of the GDR transportation system, that they stand in a relation to the other carriers suitable for stimulating the most sensible and energy-efficient division of functions between inland navigation, railroad and motor vehicles as well as the minimalization of transport expenditures as a whole.

Price factors were largely standardized and no longer warranted special features (such as the furniture truck meter) and deviations from other rates eliminated. At

the same time the division into time and distance-related freight components, consonant with meeting costs, was enforced in the rates (examples are downtime and kilometer charges). The payments for ancillary services are coordinated for all rates from the cost aspect. It will thus no longer happen for a different price to be charged for the same or comparable ancillary service. Also basically excluded is the possibility for selectively using different rates for the same or similar services (as used to be the case, for example, in the employment of special furniture trucks, when either the motor vehicle freight rate or the furniture freight rate was charged).

The following rates will take effect in 1982:

- Motor vehicle freight rates (GKT) for general loads and other services by motor vehicles
- Rates for heavy freight haulage (TSL) for the haulage of heavy freight by tractors and/or special vehicles or by heavy transport workers (manual)
- Rates for haulage by special furniture trucks (TTM) for haulage by special furniture vehicles and the manual handling of furniture
- Rates for taxi freight haulage (TGB) for haulage by freight taxis
- Rates for the delivery and collection of express freight and baggage as well as storage (TERL) for the above listed transport services and the warehousing of freight.

To be observed and applied in particular are the following new rail freight rates in effect for combined transports by rail-road:

- Rates for less than carload freight on rail and road (TSt) for less than carload freight including work pieces and ancillary services in combined less than carload transports
- Rates for rail container transports (TCE) for combined container transportation as well as the delivery and collection of large and medium containers as per Part D of the GKT
- Rates for rail carloads (TWE) for the ascertainment of rate distances for freight in the scope of the GKT and TTM, which exceed the 50-km radius as the crow flies.

Changes in earlier charges, in addition to the PAO No 370, also take effect for other services by motor vehicle enterprises, such as winter services and crane operation.

2. The Rate System

2.1. Motor Vehicle Freight Rates (GKT)

2.1.1. Scope

The GKT applies to all haulage and ancillary services by motor vehicles in domestic and border crossing traffic. It does not apply to special loads (such as heavy loads, haulage by special furniture trucks).

The scope of the GKT was extended by the inclusion of additional services earlier governed by special price allowances (for example milk tankers, motor vehicles detached as stationary facilities).

The scope in terms of persons corresponds to the earlier rates.

2.1.2. Definitions of Terms

The definitions of the terms used in the rates are designed to make the GKT intelligible. This is necessary to achieve the objective whenever they (albeit sometimes only slightly) differ from the definitions of these terms in other directives. The definitions of terms were expanded by comparison to the former rates and more precisely defined to the extent required. Important changes occurred with regard to the following terms:

- "Engine capacity--in kilowatt (kW)--"; formerly: in "PS" [horsepower],
- "Border crossing traffic"; new: Excluding haulage to and from GDR seaports,
- "Targeted haulage"; new: Now only from a loading point to an unloading point
- "Collection and distribution haulage"; new: Already from a total of three loading points.

Accurate knowledge of all the definitions of these terms is extremely important for the appropriate use of the rates.

2.1.3. The Use of Rate Parts

Part A--Targeted Haulage

Part A is to be used for invoicing all targeted haulage.

Charged on the basis of the payload ordered and the superstructure of the motor vehicle are:

- The basic charge
once for every use
- The charge for additional driving
once for every additional loading point or other point to be driven to as per the customer's instructions (M10.00 at all times)
- Payment for waiting time
per minute of waiting time not justified from the aspect of motor vehicle traffic at loading points and other points, taking into account the provisions of transport legislation

- Kilometer charges
per rate kilometer driven by loaded vehicle
- The special vehicle surcharge
as a percentage surcharge on top of the kilometer charge
- The long-distance charge
with the exception of exemption from charges for the use of certain special vehicles on behalf of certain customers liable for payment as well as for specifically designated types of service (see article 6 paragraph 2), this is a percentage surcharge on top of the kilometer charge for distances exceeding a 50-km radius as the crow flies
- Other charges listed in the rates, surcharges or discounts (for example for ancillary services, difficult terrain).

Part B--Collection and Distribution, Other and Special Services

The structure and rate system of Part B basically correspond to their predecessors. Due to the more up-to-date definition of collection and distribution this rate part is now applicable to more haulage operations.

The computability of unavoidable empty runs is retained in this rate part.

Changed, though, is the computation of special vehicle surcharges, which will in future have to be computed as percentage surcharges on top of the kilometer charge.

Newcomers to this rate part are surcharges for the operation of loaded vehicles on difficult terrain and the long-distance surcharge for services subject to price tables 2 and/or 4 and for excess of a 50-km radius as the crow flies.

Part C--Capacity Utilization Shipments

With the exception of minor changes (for example more definite rules for rounding off in the ascertainment of the minimum volume), the proven directives of the former rates (Part D) were retained in the new GKT.

Capacity utilization shipments are to be charged on the basis of fees listed in price table 1 of Part A, excluding long-distance surcharge. It is a new feature that a constant amount of M10.00 is to be charged per point if, as per contract, additional points must be driven to prior to loading.

Part D--Delivery and Collection of Rail Carloads and Ship's Cargoes

In contrast to the former rates, this rate part also applies to the delivery and collection of parts of a rail carload or ship's cargo. It regulates delivery and collection to and from temporary storage as well as the transmission of shipments. The freight type nomenclature was revised and now conforms to that in the rates for loading services (TL). Their use has been facilitated by the quotation of the appropriate price group for each individual class of freight.

2.1.4. Explanations of the Post Import New Provisions in the Rates

To meet the higher costs involved in the use of special vehicles (analogous to the former rates), surcharges have been fixed for the operation of special vehicles. In contrast to the former rates these surcharges are no longer quoted as rate charges per kilometer in the price tables but are to be computed as percentage surcharges

- On top of the kilometer charge as per Parts A or B
- On top of the charge per ton of freight as per Part D.

No longer considered special vehicles in the meaning of the rates are:

- Special furniture trucks
- Vehicles with tipping and mixing equipment for cement haulage.

The introduction of a long-distance surcharge is designed to provide an economic incentive for the more economical division of functions among the carriers, in other words encourage the shift from road to rail and inland waterways, both of which enjoy a more favorable energy consumption ratio. This surcharge on top of the kilometer charge results in higher motor vehicle freight rates by comparison to rail freight.

Excepted from the long-distance surcharge are freight shipments

- For certain transport customers (for example the public at large),
- For some services (for example collection and distribution within the transportation combine itself),
- Carried by specified special vehicles (for example refrigerated vehicles).

The long-distance surcharge is a rate charge which must be paid to the state budget in full and is therefore not part of the goods production and net production of the motor vehicle enterprises, so that the motor vehicle enterprises may not be tempted to carry out long-distance haulage.

2.2. Rates for Heavy Freight (TSL)

2.2.1. Scope

The TSL applies to heavy freight services and ancillary services to be carried out by tractors, special vehicles, technical auxiliary means or heavy freight workers in domestic traffic and border crossing traffic.

By comparison to the former rate, the actual scope has been restricted on the one hand by the exclusion of crane services, road roller-regulating traffic of the railroad, cable trolleys and platform trailers and platform trucks up to 15 ton payloads, but expanded on the other hand by the inclusion of higher engine capacities and payloads.

2.2.2. Definitions of Terms

The definitions of the terms of the new rates diverge from former definitions or include new terms and definitions to the extent required by the change in the scope and the adjustment to the current performance parameters and other quality features of the capacities and technologies of heavy haulage and other freight rates. The definitions apply to these rates only.

The following new definitions of terms were adopted in the rates:

- Engine performance in KW) of the tractor
- Payload (in tons) of special vehicles
- Function value grade (GWS) of the tractor pulling the special vehicle
- Motor vehicle enterprises
- Factory fleets
- Distance covered
- Period of use.

The differentiation of the price fixing factors--especially the effect on standards by the GWS--require exact service agreements between customer and supplier, which must be preceded by accurate rate information for the transport customers.

2.3.3. The Application of Rate Parts

Price List 1--Haulage Services

The charge is to be computed on the basis of the agreed performance parameters of the vehicles (engine capacity, payload, GWS) and the extent of the service (period of use, distance covered).

To be charged are:

- Payment per kilometer (distance covered) to be computed for tractors and special vehicles from a performance-related part (engine performance, payload) and a GWS-related part.
- Payment per hour of use to be computed for tractors from a performance-related and a GWS-related part, for special vehicles only in relation to GWS.

Price List 2--Manual Service

The computation of manual services is simplified by virtue of the fact that

- A time rate per hour and person is to be charged in future,

- The general definition for period of use in the rate directives is applicable,
- No additional computation of surcharges for difficult work is called for.

3.2.4. Explanations of the Most Important New Features of the Rates

Taken into account by the new rates are the changes which have arisen in the past 15 years in the service sector heavy haulage. Used during these years was the PAO No 4424 and several supplementary price concessions. In conformity with the costs arising, this rate also determines a division of the freight charge into distance-related and time-related price parts. The abolition of the time rate in the old rates to include across the board minimum kilometers is a consequence of the method of computation used for the new motor vehicle freight rates, which aims to separate time and distance-related charges. It satisfies present-day technical possibilities with regard to vehicle-related average speeds that cannot be standardized.

In addition to the performance parameters engine performance and payload, some other quality features of the vehicles are important for the conduct of transport services, the route and the time necessary for the operations. Such quality features are, among others, trailer load, semitrailer load and axle load, the load dimensions (length, width and height) as well as their flexibility, maneuverability, possible vehicle speeds and fixed accessories. On the one hand they cause expenses to the transport enterprise and, on the other, affect price fixing factors, especially the period of use, to the benefit of the transport customer. Both these reasons were decisive for the introduction of the GWS in the TSL.

2.3. The Rates for Haulage by Special Furniture Trucks (TLM)

2.3.1. The Scope

The TLM applies to all haulage by special furniture trucks as well as the manual handling of furniture and to ancillary services in domestic and border crossing traffic. By comparison with the former furniture freight charges the scope of application has been changed from the aspect of the persons concerned but not from that of the objects carried. The new rates are to be used for all haulage by special furniture trucks ordered, independent whether furniture or other freight is carried and whether the furniture haulage enterprise carries out manual handling and loading services.

2.3.2. Definitions of Terms

The definitions of terms are changed, supplemented and adjusted to those used for other rates--especially motor vehicle freight rates--to the extent required in consideration of the scope and specific features of this type of service.

Introduced in the rates for the first time were the terms payload, collection, use, border crossing traffic, 50-km radius as the crow flies, waiting time, carrying distance grade (TSS), rate distance and manual handling.

Retained from the former rates were--with amendments--the definitions of terms involving special furniture trucks, load and partial load.

No longer included in the rates is the term of the furniture truck meter (Mm) as the basis for measurement and such terms and their definitions as concerned instructions for the use of rates in the former rate tables (for example freight computation minimum weight, waiting time).

The extent of the textual change of definitions of terms compared with the former rates is considerable. That is due to the complete revision of the rates, leaving little in common between the new and the old rates.

2.3.3. The Use of Rate Parts

By contrast to all other motor vehicle freight rates, the changes in the rate system and scope justify their difference from the former rates insofar as their use does not allow for comparisons between the old and the new rates.

From the aspect of freight elements the TTM is possibly comparable with the motor vehicle freight rates and actually coordinated with them to quite an extent.

The Basic Charge

In contrast to the motor vehicle freight rates the basic charge is made for collection and distribution also. The additional expense for driving to the collection and distribution point is taken into account in the charge

- For manual handling and loading services by the furniture haulage enterprise applying an across the board average handling charge, or
- For manual handling and loading services by transport customers--also for help in these operations--by applying a constant charge per loading point.

The constant charge is imposed also if, as per the customer's order, additional points are included in the route, where neither loading nor unloading takes place.

The basic charge is differentiated in relation to the payload. The constant charge for additional points in the amount of M25.00 is to be imposed independent of the payload.

The Manual Handling Charge

The new rates also take into account that, in the case of many services--especially removals--manual handling and carrying services continue to be regular services offered by the furniture moving enterprise and therefore provide for them to be charged as primary services--in the GKT these are defined as ancillary services.

In contrast to comparable charges in the former rates, the differentiation of the charge for manual handling is adapted to the costs involved in the respective carrying distance. It therefore more effectively stimulates the furniture removal

enterprises more readily to provide this service for removals and also the extent of the service requirements of transport customers with regard to the haulage of new furniture and other freight.

In contrast to the former rates (PAO No 4425 article 4 paragraph 1), the charge for manual handling is not to be imposed if employees of the furniture removal enterprise and the transport customer together do the loading and carrying. This case is separately accounted for in the rates as "help." When the TIM is used to compute haulage services, the charges for loading and handling may not be computed on the basis of another rate (for instance the rate for loading services (TL)).

Charges for Waiting Time

A charge will be imposed by the furniture removal enterprise for each minute of unwarranted waiting when loading and manual handling are undertaken either by the transport customer alone or jointly by the transport customer and furniture removal enterprise (help). It is not permissible to charge both waiting time and manual handling involved in loading or unloading. Also inadmissible is a charge for waiting time on top of the charge for making available additional manpower if the furniture removal enterprise alone carries out loading and manual handling services.

Kilometer Charge and Long-Distance Surcharge

Kilometer charges are basically computed on the same terms as those set out in Part A of the new motor vehicle freight rates and have the same function; their level corresponds to the specific conditions (taking into account the special vehicle surcharge and higher basic charge). Analogously the instruction for agreement between the two rates also applies to the computation and function of the long-distance surcharge. The directives for the computation of the kilometer charge represent a definite simplification by comparison with former rates. To be specially noted in the application of the rates are the changes made with regard to

- The determination of the rate distance basic for the computation, taking into account the 50-km radius as the crow flies,
- The abolition of the charge for empty runs in local traffic and border crossing traffic.

The Charge for Manual Handling of Furniture

This charge is to be imposed only when furniture is manually handled and neither a furniture truck nor a vehicle of another type of superstructure is used.

2.3.4. Explanations of the Most Important Rate Changes

The introduction of the payload--calculated in tons (t)--as the basis of the volume in furniture haulage also is due, among others, to the need

- Appropriately to take into account in the charges the costs arising as related to the payload,

- To produce coordination and comparability with other freight rates,
- To conform to the use of charges unrelated to type of freight,
- To stimulate the capacity utilization of special furniture trucks, and
- To simplify the ascertainment and ease of verification of the extent of the service in relation to the volume of freight.

The exemptions from the charges for the payload ordered--haulage for the public at large and the extent of manual handling and loading services--are required, because

- The extreme differences in the ratio volume:payload present in typical furniture trucks and meaningless in household removals for the transport customer must not bring about a change in the former rate level for private citizens;
- The cost of manual handling and loading services frequently does not depend on the payload of the furniture truck ordered by on the dimensions and volume of the freight actually carried and loaded, and must be charged only at the corresponding rate.

The former rates charged for manual handling and loading up to a specific number of floors were imposed as barely differentiated (freight class related) charges and therefore did not meet the costs involved. The lack of the carrying distance-related differentiation meant that furniture removal enterprises were not interested in services involving several flights of stairs. On the other hand the transport customers in the new furniture trade sector did not consider the cutting down of carrying distances a possibility for lowering transport costs. The introduction of carrying distance stages now provides incentives by price rate.

2.4. The Rates for Taxi Freight Traffic (TGV)

Compared with the old rates (PAO No 4426) the TGV is barely changed. The terms used in the rates have been adjusted to the GKT. The same applies to the new price level for business customers not enjoying preference. The prices in effect hitherto will continue to be charged the public at large and certain other customers.

2.4.1. The Scope

The rates apply to freight carried by motor vehicles of up to 3.5 tons payload within a 50-km radius as the crow flies and in domestic traffic only. The rates are not applicable when freight is carried by passenger vehicle, carried beyond the 50-km radius as the crow flies, freight contracts need to be concluded as per the provisions of transport legislation, and enterprises use their own vehicle fleet to carry freight.

2.5. Rates for the Collection and Delivery of Express Freight and Baggage as well as for Storage (TERL)

Similarly to the TGV, the level of these rates was actually changed only with regard to business customers. The rate system and rate level for the public at large and exempted customer sectors remains unchanged.

2.5.1. The Scope

The rates apply to the collection and delivery of express freight and baggage if carried out by enterprises of public motor vehicle transportation as well as to the storage of freight carried out by enterprises of all types of ownership and sectors of the national economy.

They are also to be used if services within its scope are provided by horse-drawn vehicles.

2.6. The Rates for Less Than Carload Freights Carried by Rail and Road (TSt)

The TSt replaces the former rates (freight rates--less than carload freight carried by the GDR Railroad and motor vehicles (TGSt)--PAO No 4422.

The rate system was basically retained. In addition to the increase in the price level required to meet costs and to changes designed to achieve easier comprehension, its scope was expanded by including the carriage of production parts.

2.6.1. The Structure of the Rates

The new rates consist of

- Booklet 1--General rate directives including the directives and fees for ancillary services
- Booklet 2--Register of places including instructions for the ascertainment of rate distances
- Booklet 3--Fee tables including instructions for use.

3. Concluding Remarks

The introduction of the new motor vehicle freight rates in 1982 requires the transport customers of all sectors of the economy to be comprehensively informed about the new legal regulations of the rate settlement and their application as well as about the political objectives involved. This must be done with the guidance of the local technical organs in charge of traffic and communications, in close cooperation with the financial and price organs. Particular attention must be directed to private factory fleets.

The more thorough this political preparation, the faster the effects intended by the introduction of the new rates on the reduction of nationwide transport costs will be achieved and the principles of the party and government leadership safeguarded with respect to the retention of the current rate level for services to the public at large and certain types of ownership.

New International Freight Rates

East Berlin DDR-VERKEHR in German Vol 14 No 12, Dec 81 (signed to press 26 Nov 81)
pp 421-422

/Article by Rainer Schwabe, economist, general director, VE Kombinat DEUTRANS:
"Rates Charged for International Forwarding of Export Goods"/

/Text/ The rates apply to

- a) Forwarding services in border crossing freight traffic;
- b) The handling of fair and exhibition shipments and empties;
- c) Miscellaneous ancillary and special services related to a) and b).

The PAO No 370 on charges for freight haulage also includes new prices for international forwarding carried out by handling GDR foreign trade goods; they will take effect in 1982. The introduction of new charges for international forwarding was necessary to properly reflect the actual cost of the services rendered by the VE Kombinat DEUTRANS as the sole international forwarding enterprise in the German Democratic Republic within the scope of its duties in handling foreign trade forwarding and thereby contribute to the steady improvement of the cost/result ratio. Charges for forwarding services are subject to the generally valid inevitabilities and principles of socialist price fixing, but branch specific problems in the sector of international forwarding had to be taken into account. In conformity with the development of freight charges, forwarding also is confronted with the need further to adjust prices of forwarding services to the socially necessary expenditure.

The new rates are based on an hourly rate that was multiplied by the ascertained average time needed for the services listed in the respective rate position.

The hourly rate computation is made up of costs and a surcharge to represent profit.

The points of reference for the profit surcharge were the enterprise funds required and the prime costs capable of being computed.

The rates apply to

- a) Forwarding services in border crossing freight traffic
- b) The handling of fair and exhibition shipments and empties on the occasion of the Leipzig Fairs, the GDR Agricultural Exposition (AGRA) in Markkleeberg, the Fair of the Masters of Tomorrow and other exhibitions in Leipzig
- c) Miscellaneous ancillary and special services related to a) and b).

The following main objectives were pursued by the inclusion of these rates in the complex of the planned price changes in domestic freight rates:

1. As the planned price changes for the carriers affect especially charges for consolidated freight, drayage for air freight and fees for ancillary and special services, they had to be taken into account in drawing up international forwarding rates.
2. In the past the performance structure based on shipping in both directions, shifted to a structure based on carriers. This also was taken into account when the rates were drawn up.

Also to be noted was the disappearance of some services and the addition of new ones as well as qualitative and quantitative changes in services. This is reflected in, among others, the changed features of the services listed in the rate positions. Furthermore, appropriate rate positions were established for services which used not to be subject to the law on pricing. New rates were adopted, for example, for the domestic clearance of trucks carrying imports and the clearance of large containers of export and import goods, carried by truck.

3. Provided were sound economic ratios with regard to the charges for various services, taking into account the desired stimulating effect of the rate structure, for example in view of the fact that the increase in fees for additional ancillary and special forwarding services is designed to restrict such services as far as possible if not altogether obviate them. To be stimulated thereby is, in particular, the orderly placing of orders as the condition for optimum transportation procedures. Furthermore, discounts for consolidated freight provide an incentive for this type of freight.
4. By the inclusion
 - Of the charges for taking over and storing freight on the occasion of fairs and exhibitions in Leipzig and Markkleeberg (formerly PAO 4428 "introduction of the motor vehicle freight rate for fairs and exhibitions in Leipzig and Markkleeberg"),
 - Of the charges for services involving the export and import of large containers (formerly regulated by price index card)

the objective was met of establishing standardized combined rates for international forwarding services.

5. Another objective was that of providing (by means of clear formulations and definitions of services) rates suitable for data processing, comprehensible and appropriate for accounting.

The planned change of the rates based on the principle of equal prices for equal services and the adjustment of prices for comparable services to the prices established for other carriers or within the scope of other industries. (This applied especially to price list IX--charges and fees for ancillary and special services.)

The computation of charges and fees is based on

- The dispatch of the waybill
- The volume and type of freight or the number of large containers
- The period of use
- One transport service.

As before, the computation of service charges for consolidated freight is based on the less than carload rates of the railroad applicable in the respective case. In future also an incentive in the shape of percentage discounts with respect to less than carload freight charges will be granted on GDR and FRG routes, but without the former gradation of discounts depending on weight subject to freight charges.

As regards factory-packaged freight less than carloads, not hitherto granted any discounts, a discount will in future be granted analogous to plant consolidated freight. This will pay for certain services rendered by the supplier factories. In the case of shipments of standard freight by ocean-going vessel via GDR seaports a change has taken place in the base rate from "per shipment" to "per ton," because the old charges do not meet the costs of the services involved.

Altogether the new charges for forwarding services contribute to the confrontation of the GDR export trade with the actual costs incurred by the shipment of export trade goods and thereby provide an incentive for balancing these higher costs by the improvement of the export structure and higher export earnings.

Fuel Consumption Standards

East Berlin GESETZBLATT DER DEUTSCHEN DEMOKRATISCHEN REPUBLIK in German Part I
No 34, 27 Nov 81 pp 393-400

/Official text of "Order No 4, dated 26 October 1981, on Fuel Consumption Standards for Motor Vehicles in Road Traffic," signed by Minister for Transportation Arndt, East Berlin/

/Text/ Article 1

On the basis of Article 2, Paragraph 2 of the Order dated 10 July 1975 on the Standardization of Motor Vehicle Fuel Consumption in Road Traffic (GBI I No 32 p 602), the fuel consumption standard catalogue--1981 edition--(supplement) is declared mandatory.

Article 2

(1) This order takes effect on 1 December 1981.

(2) Losing effect on the same date are:

- Order No 2 of 14 March 1978 on the standardization of motor vehicle fuel consumption for motor vehicles in road traffic (GBI I No 13 p 157),

-- Order No 3 of 9 January 1980 on the standardization of motor fuel consumption for motor vehicles in road traffic (GBI I No 4 p 38).

Appendix to Preceding Order

Motor Fuel Consumption Standard Catalogue--1981 Edition

The motor fuel consumption standards listed in this catalogue were ascertained on the basis of the TGB 39-852 Bl.2 (kilometer motor fuel consumption).

They are the basis for the establishment of enterprise motor fuel consumption standards.

Testing was done in ordinary road traffic conditions consonant with average driving conditions on a circular route with fixed sections of city traffic, highways crossing villages, and motorways--coupled at all times with the observance of the traffic code. The motor fuel consumption standard does not include the section city traffic.

For the establishment of motor fuel consumption standards, the consumption standards of exemplary motor vehicle combines and factory traffic enterprises were taken into account.

This standard catalogue applies to motor vehicles and special motor vehicles used to carry passengers and freight in public road traffic.

The motor fuel consumption standards listed in sections II-V were ascertained for tare weights as well as the permissible total loaded weight of the vehicles and are to be applied only in these conditions.

Appropriately differentiated fuel consumption standards are to be set for vehicles which do not achieve the permissible total loaded weight when loaded. The standards to be fixed by the enterprises arise from the difference between consumption when empty and consumption with total loaded weight multiplied by the average utilization rate. The amount of liters arising must be added to consumption when empty.

Whenever the subsequently listed employment criteria apply, the motor fuel consumption standards may be raised by the appropriate addition or reduced by deduction.

Table: Additions and Subtractions

1.1. Additions--kilometer related

Serial No	Use Criterion	Addition	Application
1	Trailer operation	a) up to 10% b) up to 20%	when towing a trailer when towing a loaded trailer

Serial No	Use Criterion	Addition	Application
2	City driving	up to 15%	only for kilometers driven in city traffic
3	Transports in special technological conditions	up to 10%	for motor vehicles except KOM <u>buses</u> for distribution and service trips
4	Scheduled services outside city limits	up to 5%	For KOM operating regular scheduled services
5	Driving on mountain roads	up to 5% for passenger cars up to 15% for all other motor vehicles	this addition may be made only if -- the proportion of steep grades in the total distance driven exceeds 20%
6	Driving on construction sites	up to 15%	Exclusively for driving on construction sites with metaled roads
7	Winter driving	a) up to 10% b) up to 5%	if roads are snow covered if outside temperatures are below 0°C.
8	Heavy loads and special freight transportation	for this type of use the additions depend on the degree of difficulty and are to be fixed individually in each case	

1.2. Deductions--kilometer related

Serial No	Use Criterion	Addition	Application
1	Overhead line facilities	up to 5%	for vehicles equipped with overhead lines, this percentage is deducted from the motor fuel consumption standard
2	Driving outside city limits	up to 10%	to be used only for permanent driving on roads carrying little traffic (motorways, night runs)

1.3. Additions--fuel consumption time-related

Serial No	Use Criterion	Addition	Application
1	Hydraulic pump driven by the vehicle engine	a) up to 3 l/h b) up to 5 l/h	for vehicle engines up to 150hp/110kW for vehicle engines above 150 hp/110 kW
2	Mechanical auxiliary drives, driven by the vehicle engine))))	
3	Additional combustion engines to drive implements))))	due to different engine load are to be ascertained by time studies in l/h and fixed as enterprise standards
4	Vehicle heaters using liquid fuels		this addition may be claimed only when passenger compartment inside temperatures fall below 18°C. Consumption must be fixed as an enterprise standard as per the manufacturer's information about the possible degrees of heating

Explanations of the Use of Additions and Deductions

The following principles are to be observed when computing additions and deductions:

1. The additions are maximum amounts. The amount must be differentiated for the various use criteria consonant with the conditions of the respective operation.
2. The use of any addition or deduction must be based on the motor fuel consumption standard (with the exception of time-related additions).
3. When several additions apply, the enterprise standards to be used arise from the motor fuel consumption standard plus the total of additions (with the exception of time-related additions).
4. In trailer operation additions must relate to the motor fuel consumption standard for truck plus trailer addition, with due regard for Nos 1 and 2 of these explanatory notes.
5. Addition No 2--city driving--and addition No 3--transports in special technological conditions--may not both be claimed.

The application of addition No 2 forbids that of addition No 3 or vice versa.

6. Additions No 2--city driving--and No 7a--winter driving on snow covered roads--may not both be claimed.

7. Additions for winter driving No 7a on snow covered roads--and No 7b at outside temperatures below 0°C--also may not both be claimed.
8. Trailer trucks and tractor trailers may claim the addition as per No 1--trailer operation--only when pulling a second trailer.
9. In the case of deductions the procedure to be used should appropriately correspond to Nos 3 and 4 of these explanatory notes.
10. If additions (with the exception of time-related additions) to and deductions from the motor fuel consumption standards are both applicable, the following procedure is to be adopted:
 - Ascertainment of the difference between additions to and deductions from the motor fuel consumption standard.
 - The difference is to be added or deducted from the motor fuel consumption standard and represents the standards to be used by the enterprise.
 - The reporting of motor fuel consumption arising from the use of time-related additions must proceed independent of kilometer-related motor fuel consumption.

1. Motor Fuel Consumption Standards for Passenger Cars

[illegible]

(1) Fabrikat und Typ	(2) Leistung PS/kW	(3) Raum m ³	(4) ab Baugahr	(5) Leistung verbrauch l/100 km	(6) Leistungstyp
1	2	3	4	5	6
CASA					
(9) GAS M 49 Kombi	65-68	1,430	1980	11,5	(10) VE
Waga M 21	70-72	1,440	1987	11,7	VE
Waga M 21	75-78	1,440	1985	11,7	VE
Waga Kombi	75-78	1,440	1985	11,7	VE
Waga GAS 24 Limousine	80-73	1,440	1971	11,7	VE
(12) Waga GAS 24-68 Kombi	80-73	1,440	1974	11,5	VE
Waga GAS 24	85-83	1,440	1973	11,6	VE (GAS 24)
(9) GAS 600 S Kombi	70-73	1,440	1973	14,6	VE
Supermini GAS 900-908	65-78	1,380	1980	8,5	VE
Supermini 411 Limousine	65-73	1,380	1980	8,5	VE
Supermini 417 Limousine	65-73	1,380	1980	8,5	VE
Supermini 418 Limousine	65-73	1,380	1980	8,5	VE
(12) Supermini 413 Kombi	65-73	1,380	1980	8,5	VE
Supermini 411 Limousine	75-78	1,478	1979	8,5	VE
(12) Supermini 417 Kombi	75-78	1,478	1979	8,5	VE
(10) Supermini 414 Lieferwagen	75-78	1,478	1979	8,5	VE
Supermini 1148 Limousine	75-78	1,478	1979	8,5	VE
(12) Supermini 1147 Kombi	75-78	1,478	1979	8,5	VE
(21) Supermini 1148 Kasten	75-78	1,478	1979	8,5	VE
WAS 1100 Limousine	80-84	1,380	1971	8,6	VE
(12) WAS 1100 Kombi	80-84	1,380	1973	8,6	VE
WAS 1100 Limousine	75-78	1,450	1973	8,6	VE
WAS 1100 Limousine	80-81	1,380	1974	8,6	VE
WAS 1100	78-77	1,370	1977	8,6	VE
(12) ISM 1121 Kombi	75-78	1,478	1974	8,5	VE
(10) ISM Lieferwagen	75-78	1,478	1974	8,5	VE

Key:

- | | |
|------------------------------------|-------------------|
| 1. Make and model | 12. Station wagon |
| 2. Capacity hp/kW | 13. Express van |
| 3. Cubic capacity (l) | 14. France |
| 4. From year of construction | 15. Italy |
| 5. Motor fuel consumption l/100 km | 16. Yugoslavia |
| 6. Type of fuel | 17. Poland |
| 7. GDR | 18. Romania |
| 8. All types | 19. Mixture |
| 9. Pickup | 20. Gasoline |
| 10. Delivery van | 21. Box |
| 11. Excluding station wagon | |

II. Motor Fuel Consumption Standards for Motor Buses

(1) Fahrzeug und Typ	(2) Leistung PS/kW	(3) Hubraum l	(4) ab Baujahr	(5) Kategorie	(6) Kraftstoffverbrauch (l/100 km)		(9) Kraftstoff- art
					(7) Städt.	(8) Landstr.	
1	2	3	4	5	6	7	8
(1.3) DDR							
Bertha T 90	36/25	3,900	1957	8	21,4	22,3	(13) Gem.
Bertha B 1000	42/30	4,900	1960	8	22,4	23,3	Gem.
Bertha B 1200	46/34	5,900	1973	8	22,4	23,3	Gem.
Gruntz 30 E apäter Gruntz 40 PS	35-40	3,900	1954	18	21,4	22,3	(14) VE
Gruntz 30 E apäter Gruntz	33-38	3,180	1954	18	22,3	23,3	(15) DE
Robur LO 1200	70/50	3,345	1960	18	22,8	23,3	VE
Robur LO 1300	75/52	3,345	1965	21	22,8	23,3	VE
Robur LO 1500	75/52	3,957	1965	21	22,2	23,3	DE
Robur LO 1800	75/52	3,345	1973	21	22,8	23,3	VE
CSSR							
Santa 700 RTO CAB	180/132	11,780	1959	41	25,7	22,8	DE
Santa 700 RTO LUX	180/132	11,780	1959	35	22,8	23,3	DE
(1.1) VR Polen							
Jelco CAB 940	180/132	11,780	1969	32	25,7	22,8	DE
Jelco 920	180/132	11,780	1969	41	26,1	23,3	DE
(1.2) Čagadeb Volkarepublik							
(1.6) Skania 90 Linie	125/90	7,960	1955	46	30,4	28,9	DE
(1.7) Skania 90 Linie	125/90	7,960	1955	38	28,5	28,9	DE
(1.8) Skania 90 Linie	145/107	8,270	1960	38-45	30,4	28,9	DE
(1.9) Skania 90 Linie	145/107	8,270	1960	41	30,4	28,9	DE
(1.10) Skania 90 Stadt	145/107	8,270	1960	28	32,2	30,4	DE
(1.11) Skania 90	145/107	8,270	1959	23	32,3	28,9	DE
(1.12) Skania 90	145/107	8,270	1959	45	30,4	28,9	DE
(1.13) Skania 90 Linie	85-93	3,222	1959	38	21,9	19,5	DE
(1.14) Skania 90 Linie	85-93	3,222	1960	27	21,9	18,9	DE
(1.15) Skania 90 Linie	85-79	3,317	1966	28	21,9	18,9	DE
(1.16) Skania 90 Linie	85-79	3,317	1966	27	21,9	18,9	DE
(1.17) Skania 100 Stadt	192/140	10,330	1967	37	42,8	32,3	DE
(1.18) Skania 100 Linie	192/140	10,330	1966	27	40,0	30,4	DE
(1.19) Skania 100 Stadt	192/140	10,330	1966	28	32,3	28,9	DE
(1.20) Skania 120 Reisebus	192/140	10,330	1970	42	28,5	24,7	DE
(1.21) Skania 120 Land	192/140	10,330	1973	47	28,5	24,7	DE
(1.22) Skania 120 Linie	192/140	10,330	1974	47	28,5	24,7	DE
(1.23) Skania 120 Stadt	192/140	10,330	1971	23	32,3	28,9	DE
(1.24) Skania 120 Stadt	192/140	10,330	1971	38	40,0	31,9	DE
(1.25) Skania 120 Linie	192/140	10,330	1971	34	38,0	28,9	DE
(1.26) Skania 110	125/90	6,580	1976	38	22,8	19,5	DE
(1.27) Skania 100 Vertriebs	192/140	10,330	1977	40	31,4	25,7	DE
CSSR							
PAS 970	105/77	4,256	1973	34	30,4	28,7	VE
SAF 970	75/55	2,445	1974	18	13,3	11,9	VE
(1.28) LAD 60 W Tourist	180/132	8,000	1973	35	28,9	26,1	VE
(1.29) LAD 60 MT Linie	180/132	8,000	1973	23	28,9	26,1	VE

Key:

- | | |
|--------------------------------------|------------------------|
| 1. Make and model | 12. Hungary |
| 2. Capacity hp/kW | 13. Mixture |
| 3. Cubic capacity (l) | 14. Gasoline |
| 4. From year of construction | 15. Diesel |
| 5. Seat capacity | 16. Scheduled services |
| 6. Motor fuel consumption (l/100 km) | 17. Luxury |
| 7. Total admissible load | 18. All |
| 8. Tare weight | 19. City use |
| 9. Type of fuel | 20. Tour bus |
| 10. GDR | 21. Rural service |
| 11. Poland | 22. Suburban service |

III. Motor Fuel Consumption Standards for Trucks, Semitrailers and Special Trucks

(1) Fabrikat und Typ	(2) Leistung PS/kW	(3) Hubraum l	(4) ab Baujahr	(5) Nutzlast	(6) Kraftstoffverbrauch		(9) Kraftstoff- art
					(7) mit Ge- sammasse	(8) Leermasse	
1	2	3	4	5	6	7	8
(10) DDB							
(11) V 901 Pritsche	28/21	0,900	1954	0,8	11,4	10,0	(24) Gem.
(12) V 901 Kastenwagen	28/21	0,900	1954	0,7	11,4	10,0	Gem.
B 1000 Kastenwagen	40/29	0,900	1961	1,0	12,4	9,5	Gem.
B 1000 Kastenwagen	42/31	0,992	1964	0,9	12,4	9,5	Gem.
(13) B 1000 Pritsche u. Koffler	42/31	0,992	1966	1,0	12,3	10,5	Gem.
(14) B 1000 Kastenmehrwach	42/31	0,992	1967	(23) verschied.	12,4	10,0	Gem.
(13) B 1000 Pritsche u. Koffler	46/34	0,992	1973	1,0	12,3	10,5	Gem.
Granit 30 K später Garant 80 PS	35/40	1,000	1953	2,0	21,4	19,5	(25) VK
Granit 32 K später Garant	52/38	1,000	1953	2,0	19,2	12,8	(26) DK
(15) Granit 30 K/Allrad	80/44	1,000	1966	1,9	23,8	21,9	(25) VK
Robur LO 2300	70/52	1,345	1962	2,8	22,8	19,0	VK
(15) Robur LO 2300 Allrad	70/52	1,345	1964	2,5	22,8	20,0	VK
Robur LD 2300	70/52	1,327	1963	2,5	16,2	12,8	(26) DK
(17) Robur LO 1800 Allrad	70/52	1,345	1960	1,8	22,8	20,9	(25) VK
Robur LO 2301	70/52	1,345	1967	2,8	21,9	18,1	(25) VK
(15) Robur LO 1801 Allrad	70/52	1,345	1967	1,8	22,8	20,0	VK
Robur LD 2301	70/52	1,327	1967	2,5	16,2	12,8	(26) DK
Robur LO 3000	75/55	1,345	1972	2,0	23,8	19,0	(25) VK
(15) Robur LO 3000 Allrad	75/55	1,345	1972	2,8	24,7	20,0	VK
Robur LO 2003 Allrad	75/55	1,345	1972	2,0	24,7	20,0	VK
(13) H 6 Pritsche u. Koffler	150/110	9,840	1953	6,5	32,3	28,6	(26) DK
(16) H 6 Kipper	150/110	9,840	1952	6,6	31,3	26,6	DK
(13) S 4000-1 Pritsche u. Koffler	90/66	6,024	1958	4,0	30,9	16,2	DK
(16) S 4000-1 Kipper	90/66	6,024	1958	2,4	21,9	17,1	DK
(13) S 4000-1 Sattelzug	90/66	6,024	1964	7,9	30,4	23,9	DK
(13) W 30 L Pritsche u. Koffler	110/81	6,580	1965	5,2	22,8	17,2	DK
(16) W 30 L Kipper	110/81	6,580	1965	4,7	22,8	18,1	DK
(13) W 30 L Pritsche u. Koffler	125/92	6,580	1967	8,2	21,9	17,1	DK
(16) W 30 L Kipper	125/92	6,580	1967	4,9	22,8	18,1	DK
(18) W 30 L Kesselaufwagen	125/92	6,580	1967	verschied.	22,8	20,0	DK
(18) W 30 L Müllwagen	125/92	6,580	1969	verschied.	22,8	18,1	DK
(20) W 30 L Kehrmaschine	125/92	6,580	1969	verschied.	22,8	20,0	DK
(21) W 30 LA Kipper/Allrad	125/92	6,580	1967	4,7	22,8	18,1	DK
(17) W 30 LS Sattelzug	125/92	6,580	1972	10,0	28,5	20,9	DK
(22) W 30 L SGM 3 Ladekran	125/92	6,580	1970	5,0	21,9	17,1	DK
(27) W 30 LA Pritsche/Allrad	125/92	6,580	1973	4,9	22,8	18,1	(26) DK
Multicar M 24 und M 25	45/33	1,997	1973	2,0	13,2	11,4	DK
(28) BMD							
(29) Mercedes-Benz Koffler	256/188	12,700	1973	7,8	34,2	28,6	DK
Mercedes-Benz	256/188	12,700	1976	17,0	42,8	38,4	DK
(30) Draufsteinkipper	256/188	12,700	1976	17,0	42,8	38,4	DK
Mercedes-Benz	256/188	12,700	1976	16,5	42,8	38,4	DK
(31) Mulden-Hinterkipper	256/188	12,700	1976	16,5	42,8	38,4	DK
Mercedes-Benz	256/188	12,700	1976	23,8	52,3	34,2	DK
(32) Sattelzug-Hinterkipper	256/188	12,700	1976	23,8	52,3	34,2	DK
Mercedes-Benz	256/188	12,700	1976	21,9	51,3	34,2	DK
(33) Sattelzug-Bitumenkessel	256/188	12,700	1976	21,9	51,3	34,2	DK
Mercedes-Benz	256/188	12,700	1976	11,9	38,9	28,5	DK
(34) Pritsche mit Ladekran	256/188	12,700	1976	7,8	34,2	28,6	DK
(29) Magirus-Deutz-Koffler	256/188	12,700	1976	7,8	34,2	28,6	DK
CSSR							
(11) Skoda 806 R Pritsche	145/107	11,781	1966	8,9	30,4	24,7	DK
(16) Skoda 806 RS Kipper	145/107	11,781	1966	7,5	32,3	28,6	DK
(19) Skoda 706 ROK Müllwagen	145/107	11,781	1966	8,0	34,2	29,5	DK
(11) Skoda 706 RT Pritsche	160/118	11,781	1959	7,8	28,5	22,8	DK
(16) Skoda Kipper 706 RTS und RTS/1	160/118	11,781	1959	7,8	29,5	23,8	DK
(13) Skoda RTH Sprengwagen	160/118	11,781	1962	7,1	30,4	25,7	DK
(19) Skoda 706 RTK Müllwagen	160/118	11,781	1964	verschied.	30,4	25,7	DK
Skoda 706 RTTN Sattelzug	160/118	11,781	1965	11-12	38,0	34,8	DK
(36) Skoda MTC 5 Pritsche u. MTV 3	200/147	11,940	1972	6,9	30,4	23,8	DK
(16) Skoda MTS 34 Kipper	200/147	11,940	1971	8,8	31,4	24,7	DK
(17) Skoda MTIN 5 Sattelzug	200/147	11,940	1971	10,0	39,9	28,5	DK
LIAZ S 100.43 Sattelzug	270/198	11,940	1977	23,0	67,5	33,5	DK
LIAZ S 100.47 Sattelzug	304/234	11,940	1979	23,0	68,4	34,2	DK
(11) LIAZ S 100.04 Pritsche	270/198	11,940	1977	8,9	30,4	24,7	DK
LIAZ S 100.05 Pritsche	304/234	11,940	1978	8,9	31,4	25,7	DK
(16) Tatra 138 S Kipper	180/132	11,792	1962	12,0	34,1	28,5	DK
Tatra 140 S Kipper	212/156	12,607	1971	14,0	39,9	30,4	DK

[See key at end of table]

(1) Fabrikat und Typ	(2) Leistung PS/kW	(3) Hubraum l	(4) ab Baujahr	(5) Nutzmasse	(6) Kraftstoffverbrauch l/100 km bei 90 km/h	(7) Kraftstoff- verbr. l/100 km	(8) Kraftstoff- verbr. l/100 km
1	2	3	4	5	6	7	8
(37) Großbritannien							
(17) Leyland-Beaver 14 B/14 AL Sattelzug	202/148	11,000	1963	13-18	30,9	28,3	DK
(38) Leyland-Albion Mischfahrradtransporter	127/93	8,538	1965	10,0	30,4	21,9	DK
(39) Sozialistische Föderative Republik Jugoslawien							
(16) FAP 8 GGF-K Kipper	130/96	8,000	1964	8,5	28,8	20,9	DK
(40) FAP AM 3500 Betonmischer	130/96	8,000	1963	7,4	27,8	21,9	DK
(17) FAP 1518 BD Pritsche	180/118	9,500	1970	8,1	30,4	22,8	DK
(16) FAP BK 18 Kipper	200/147	10,000	1971	8,1	31,2	20,9	DK
FAP BK Kipper	130/96	8,000	1971	7,7	27,8	20,9	DK
(41) Österreich							
(42) STEYR/DOLL 043 Langholz-Zug	280/206	9,738	1960	28,8	32,8	33,0	DK
(43) STEYR/DOLL S 20 Schmitzholz-Sattelzug	280/206	9,738	1960	17,8	30,0	38,0	DK
(44) VR Polen							
(11) Jelcz 315 Pritsche	200/147	11,100	1969	8,0	32,3	23,7	DK
(17) Jelcz 316 Pritsche	200/147	11,100	1973	12,0	38,1	24,8	DK
(17) Jelcz 317 Sattelzug	200/147	11,100	1973	18,0	42,8	28,3	DK
(16) Jelcz 317 Kipper	200/147	11,100	1973	8,0	32,3	23,7	DK
(17) Jelcz 317 D Sattelzug	243/179	11,100	1973	18,0	42,8	30,4 (25)	DK
(45) ZUK A 06 Kasten	70/52	2,120	1973	0,94	14,3	12,4	VK
(46) ZUK A 07 Kombi	70/52	2,120	1973	0,83	14,3	12,4	VK
(11) ZUK A 11 B Pritsche	70/52	2,120	1973	1,12	14,3	12,4	VK
(47) Sozialistische Republik Rumänien							
(48) TV 41 Kasten und Pritsche	77/57	2,312	1968	1,25	17,1	15,2	VK
TV 12 Kasten und Pritsche	80/58	2,493	1974	1,25	18,1	16,2	VK
TV 14 Kasten und Pritsche	79/52	2,120	1978	1,35	11,4	8,3 (26)	DK
(17) ROMAN R 10215 DFS Sattelzug	215/156	10,250	1978	22,0	32,3	34,2	DK
ROMAN R 10215 FS Sattelzug	215/156	10,250	1978	22,0	32,3	32,3	DK
(16) ROMAN R 10215 DFK Kipper	215/156	10,250	1978	16,0	30,9	36,6	DK
(49) Schweden							
(11) Volvo FB 88 Pritsche	280/191	9,800	1967	12,0	38,0	28,3	DK
(50) Volvo F 88 Koffer	280/191	9,800	1967	6,9	34,2	28,3	DK
(17) Volvo FB 88 Sattelzug	280/191	9,800	1967	20,0	48,4	38,1	DK
Volvo F 88 Sattelzug	280/191	9,800	1968	20,0	48,4	38,1	DK
(11) Volvo FB 88 Pritsche	330/243	11,970	1972	1,0	38,0	30,4	DK
(50) Volvo F 88 Koffer	330/243	11,970	1973	6,9	38,1	30,4	DK
(17) Volvo FB 88 Sattelzug	330/243	11,970	1973	20,0	47,3	34,2	DK
Volvo F 88 Sattelzug	330/243	11,970	1973	20,0	47,3	34,2	DK
Volvo F 12/32 Sattelzug	330/243	11,970	1978	25,0	47,3	32,3	DK
Volvo F 12/38 Sattelzug	330/243	11,970	1978	25,0	47,3	31,4	DK
USSR							
(11) SIL 130 Pritsche	180/110	6,000	1965	6,0	38,1	30,4 (25)	VK
GAS 52 Pritsche	75/53	2,480	1970	2,3	28,8	28,8	VK
MAS 500 Pritsche	180/132	11,150	1967	8,0	32,3	21,9 (26)	DK
(16) MAS 501 Kipper	180/132	11,150	1967	7,7	34,2	22,8	DK
(17) MAS 504 Sattelzug	180/132	11,150	1967	12,3	41,9	30,4	DK
(11) MAS 5335 Pritsche	180/132	11,150	1978	8,0	32,3	21,9	DK
(16) MAS 5349 Kipper	180/132	11,150	1977	8,1	34,2	22,8	DK
(11) MAS 504 W Sattelzug	240/178	14,880	1977	18,0	52,3	38,1	DK
(11) KRAS 237 Pritsche	240/177	14,880	1967	13,0	43,8	38,1	DK
(16) KRAS 238 B Kipper	240/177	14,880	1967	13,0	43,8	38,1	DK
(51) KRAS 238 Sattelzug mit Zementauflieger	240/177	14,880	1967	18,0	57,0	41,9	DK
(52) KRAS 235 B Allrad	240/177	14,880	1967	8,0	47,3	38,1	DK
(48) UAS 431/432 Kasten u. Pritsche	70/52	2,445	1968	1,8	13,2	13,2 (25)	VK
(48) GAS 53 A Pritsche	115/80	4,230	1974	6,0	30,4	22,8	VK
(11) KAMAS 5320 Pritsche	210/154	10,850	1978	8,2	31,3	25,7 (26)	DK
(16) KAMAS 5311 Kipper	210/154	10,850	1978	10,0	38,1	28,8	DK
(17) KAMAS 5410 Sattelzug	210/154	10,850	1978	20,0	48,4	34,2	DK

[See Key at end of table]

(6)							
(1) Fabrikat und Typ	(2) Leistung PS/kW	(3) Hubraum l	(4) ab Baujahr	(5) Herkunft	Kraftstoffverbrauch (7) (l/100 km) (8) mit Ges. Ladung		(9) Kraftstoff gt
1	2	3	4	5	6	7	8

(53)	Deutsche Volkswagen						
(54)	Carpel D 450 Milchtanker	100/74	3,517	1963	4,1	26,0	24,2
(17)	Carpel D 450 Sammelzug	100/74	3,517	1963	7-8	26,5	20,9
(54)	Carpel D 510 Milchtanker	145/107	8,278	1969	8,79	34,4	22,8
	Carpel D 710 Milchtanker	145/107	8,278	1959	8,79	34,4	22,8
(17)	Carpel D 700 Sammelzug	145/107	8,278	1960	11-12	34,8	26,8

Key:

- | | |
|--------------------------------------|--------------------------------------|
| 1. Make and model | 28. FRG |
| 2. Capacity hp/kW | 29. Wagon |
| 3. Cubic capacity (l) | 30. Triangular dump truck |
| 4. From year of construction | 31. Dump-type hopper truck |
| 5. Payload | 32. Semitrailer-rear dumper |
| 6. Motor fuel consumption (l/100 km) | 33. Semitrailer-bitumen boiler |
| 7. Total admissible load | 34. Platform with loading crane |
| 8. Tare weight | 35. Water sprinkler wagon |
| 9. Type of fuel | 36. Platform with MTV 5 |
| 10. GDR | 37. Britain |
| 11. Platform | 38. Mixed feed carrier |
| 12. Box truck | 39. Yugoslavia |
| 13. Platform and wagon | 40. Concrete mixer |
| 14. Multipurpose box truck | 41. Austria |
| 15. Four-wheel drive | 42. Lumber truck |
| 16. Dump truck | 43. Cut lumber truck |
| 17. Semitrailer | 44. Poland |
| 18. Pump truck | 45. Box car |
| 19. Garbage truck | 46. Station wagon |
| 20. Road sweeper | 47. Romania |
| 21. Four-wheel drive dump truck | 48. Box car and platform |
| 22. Loading crane | 49. Sweden |
| 23. Various | 50. Wagon |
| 24. Mixture | 51. Semitrailer with cement delivery |
| 25. Gasoline | 52. Four-wheel drive |
| 26. Diesel | 53. Hungary |
| 27. Platform/four-wheel drive | 54. Milk tanker |

IV. Motor Fuel Consumption Standards for Trailer Trucks and Tractor Trailers

(1) Fahrzeug und Typ	(2) Leistung PS/kW	(3) Raum- raum (l)	(4) ab Bau- jahr	(5) Motor- leistung d. Zugs (kW)	(6) Kraftstoffverbrauch l/100 km (7) bei Ges- amlast	(8) Leer- last	(9) Kraft- stoffart	(10) zul. Anh- last (t)	(11) Ges- am- last bei Messungen (t)
1	2	3	4	5	6	7	8	9	10
(12) DDR									
S 4000-IZ	30/22	8,024	1950	2,3	28,8	21,9	(13) DK	14,4	7,2
Z 6	130/110	8,840	1950	2,3	28,8	22,3	DK	22,0	11,0
W 50 LIZ	125/92	8,560	1960	4,3	28,8	21,9	(13) DK	14,4	8,0
W 50 LAIZ Allrad	125/92	8,560	1960	4,3	28,8	22,0	DK	14,4	8,0
(14) W 50 LAIZ Allrad									
(15) ND-Reifen									
ST 300	90/68	8,560	1970	-	32,3	24,7	DK	12,0	12,0
ST 304	90/68	8,560	1980	-	32,3	24,7	DK	14,0	12,0
(16) BRD									
Mercedes-Benz	320/234	15,900	1970	8,3	-	41,8	DK	100,0	200,0
CSE									
Tatra 141	185/134	14,825	1961	8,3	41,8	-	DK	100,0	200,0
(19) Tschechien									
Tatra 813 6 X 4	230/164	17,640	1971	21,1	32,3	-	DK	100,0	200,0
Scoda/RUTN	160/118	11,781	1963	8,7	34,5	28,6	DK	22,0	11,0
Zetor Super	42/31	4,160	1960	-	30,8	20,9	DK	12,0	7,0
Zetor 50 Super	50/37	4,160	1964	-	32,7	20,9	DK	14,0	8,0
(17) Volksrepublik Polen									
URSUS C 325	28/21	1,900	1960	-	32,8	18,1	DK	4,0	4,0
(18) Sozialistische Republik Rumänien									
UTOS 650	65/48	4,700	1960	-	32,3	22,0	DK	14,0	8,0
UTOS 651	65/48	4,700	1963	-	32,3	22,0	DK	14,0	8,0
CSE									
MTS 50	50/37	4,750	1960	-	30,4	25,7	DK	12,0	7,0
MTS 52	55/40	4,750	1960	-	31,4	26,0	DK	13,0	7,0
KIAS 224 Z	340/177	14,860	1967	9,3	-	47,5	DK	100,0	200,0
(21) Ungarische Volksrepublik									
Csepel D 705	145/107	8,770	1967	-	34,3	26,0	DK	22,0	11,0
D 4 KB	90/68	7,990	1964	-	38,4	42,9	DK	18,0	12,0

Key:

- | | |
|--|------------------------------------|
| 1. Make and model | 12. GDR |
| 2. Capacity hp/kW | 13. Diesel |
| 3. Cubic capacity (1) | 14. Four-wheel drive |
| 4. From year of construction | 15. Tires |
| 5. Payload of tractor | 16. FRG |
| 6. Motor fuel consumption (l/100 km) | 17. Poland |
| 7. Total admissible load | 18. Romania |
| 8. Tare weight | 19. Empty weight plus fixed weight |
| 9. Type of fuel | 20. Tractor only |
| 10. Admissible trailer load | 21. Hungary |
| 11. Total trailer volume for measuring | |

V. Motor Fuel Consumption Standards for Motor Cycles, Small Motor Cycles, Motor Scooters and Mopeds

(1) Fabrikat und Typ	(2) Leistung PS/kW	(3) Hubraum (l)	(4) ab Baujahr	(5) Kraftstoff- verbrauch l/100 km	(6) Kraftstoffart
1	2	3	4	5	6
(7) DDR					
MZ TS 125	8.5/6.3	0.123	1961	2.5	(8) Gem.
MZ ES 150	10.0/7.4	0.143	1961	2.3	Gem.
MZ ES 175	11.0/8.0	0.172	1960	2.5	Gem.
MZ ES 250	17.5/12.9	0.250	1961	4.3	Gem.
MZ ES 300	18.5/13.6	0.280	1961	4.5	Gem.
MZ ES 475/2	13.5/9.9	0.172	1966	2.8	Gem.
MZ TS 250	18.0/13.3	0.250	1973	4.3	Gem.
Simson Suhl KR 50	2.3/1.7	0.040	1961	2.4	Gem.
Spatz SR 4/1	2.0/1.5	0.040	1964	2.4	Gem.
Spatz SR 4/2	4.8/3.4	0.090	1966	2.6	Gem.
Schwalbe KR 51	14.2/10	0.080	1963	2.7	Gem.
Star SR 4/2	14.2/10	0.080	1964	2.7	Gem.
Simson S 50 N	14.2/10	0.080	1975	2.7	Gem.

Key:

- | | |
|------------------------------|--------------------------------|
| 1. Make and model | 5. Fuel consumption (l/100 km) |
| 2. Capacity hp/kW | 6. Type of fuel |
| 3. Cubic capacity (l) | 7. GDR |
| 4. From year of construction | 8. Mixture |

Fuel Conservation Rewards

East Berlin GESETZBLATT DER DEUTSCHEN DEMOKRATISCHEN REPUBLIK in German Part I
No 34, 27 Nov 81 pp 401-402

/Official text of "Order, dated 26 October 1981, on Financial Recognition of Workers for Motor Vehicle Fuel Conservation in Road Traffic," signed by Minister for Transportation Arndt, East Berlin

/Text In order to promote the initiatives of the workers for the most economical fuel consumption on the basis of progressive standards, and in agreement with the minister for materials management, the managers of other competent state organs, and in coordination with the FDGB Federal Executive Board, the following is ordered:

Article 1

This order applies to state organs, economy managing organs, combines, enterprises, facilities and cooperatives having motor vehicles used in road traffic (hereinafter designated enterprises).

Article 2: Ascertainment of Enterprise Norms

(1) Enterprise norms are to be ascertained in liter/100 km for the fuel consumption of every motor vehicle. For motor buses, trucks, semitrailers and special motor vehicles enterprise norms must be ascertained separately for

-- The admissible total load or possible total load in accordance with the type of freight,

-- The tare weight.

Enterprise norms must be recorded in the budget book of the foreman section or collective (hereinafter driver collective) and the logbook of the individual motor vehicle.

(2) Enterprise norms as per paragraph 1 must be set by the enterprise director in agreement with the competent enterprise labor union management organization at least once a year on the basis of the motor fuel consumption standard catalogue in effect,* the analysis of the actual fuel consumption of the previous year and actual operational conditions, and specifically for every motor vehicle. Enterprise norms exceeding the motor fuel consumption standards or standards to be set by the enterprise (hereinafter designated standards) are not permissible.

(3) Enterprise norms already below the standard are to be retained and further improved as progressive enterprise norms.

* In effect at this time is Order No 4, dated 26 October 1981, on the Standardization of Motor Fuel Consumptions for Motor Vehicles in Road Traffic (GB1 I No 34 p 393)

(4) The standards to be set by the enterprise on the basis of the motor fuel consumption standard catalogue are not enterprise norms in the meaning of paragraph 1.

(5) If the monthly accounts of a motor vehicle show a more than 5 percent excess of motor fuel consumption by comparison with the set enterprise norms, the vehicle must be promptly checked out.

(6) If the monthly accounts of a motor vehicle show a more than 10 percent shortfall in motor fuel consumption, the enterprise norm must be immediately checked and revised.

Article 3: Accounts and Checks of Motor Fuel Consumption

(1) Taking into consideration the order of 12 October 1979 on the Improvement in the Readiness for Employment of Commercial Vehicles in the National Economy (GB1 No 37 p 351), the enterprise director must provide the necessary technical-organizational conditions for the greatest possible conservation of motor fuel and the orderly accounting and checks of motor fuel consumption.

(2) Technical conditions must relate to the following in particular:

- Fuel injection setting
- Smoke metering
- Metering the content in liters
- Internal tire pressure metering.

(3) Organizational provisions must relate to the following in particular:

- The orderly recording of the trip and all services in the documents (waybill, logbook, and so on),
- An exact record of the services within the scope of the trip (loaded and empty kilometers) and the volume of refueling by the motor vehicle.

(4) The orderly accounting and checking of motor fuel consumption and the record of the motor fuel conservation achieved must proceed monthly per vehicle and driver collective on the basis of enterprise norms, the motor fuel used and the kilometers driven.

(5) The motor fuel conservation achieved must be recorded monthly per motor vehicle and in liters and mark in the budget book so that it can be checked. At the end of each quarter a cumulative and balanced account per vehicle in liters and mark must be prepared. The final account must be drawn up at the end of the plan year.

(6) The motor fuel conservation achieved per driver collective must be accounted monthly in liters and marks for the balanced addition of the motor fuel conservation achieved by the motor vehicles allocated to the driver collective and entered in the budget books so that it can be checked. At the end of each quarter a cumulative and balanced account in liters and marks must be prepared per driver collective. A final account is to be drawn up at the end of the plan year.

Article 4: Financial Recognition

(1) The computation of financial recognition for the individual employee proceeds on the basis of the individual account for each motor vehicle. Financial rewards may not exceed the motor fuel conservation achieved according to the balanced addition recorded by the driver collective. The financing of financial rewards proceeds

-- In state combines and enterprises as well as cooperatives by way of the cost savings achieved as a consequence of reduced motor fuel consumption,

-- In facilities, state organs and economy managing organs from the savings in the expenditure on motor fuel.

(2) At the end of each quarter of the plan year a cumulative intermediate account of financial rewards must be prepared. Fifty percent of the financial reward provided for motor fuel conservation achievements are to be paid as an instalment. Already granted instalment payments are to be fully debited at the time of the intermediate cumulative accounts at the end of the second and third quarters as well as the final account at the end of the plan year. The account drawn up for the grant of financial rewards must be checked and confirmed before payment by the chief bookkeeper or farm manager.

(3) Financial rewards per liter fuel conserved over and above the enterprise norms are granted in dependence on the enterprise norms relative to the standards as per the motor fuel consumption standard catalogue. They amount to:

Ratio of Enterprise Norm to Standard	Financial Recognition per Liter Fuel Conserved
-- Enterprise norm same as standard	MO.25
-- Enterprise norm up to 0.5% below the standard	MO.30
-- Enterprise norm from 0.5-1.0% below the standard	MO.35
-- Enterprise norm from 1.0-1.5% below the standard	MO.45
-- Enterprise norm from 1.5-2.0% below the standard	MO.55
-- Enterprise norm more than 2% below the standard	MO.75

For the determination of the ratio of enterprise norms to the standard the basis is the standard norm in liter/100 km (to be ascertained as per article 2 paragraph 1)

for the admissible total load or possible total load according to the type of freight, for passenger vehicles on the enterprise norm in liter/100 km .

(4) Motor fuel conservation over and above the set enterprise norms are financially rewarded only for up to 10 percent below these norms.

(5) If one motor vehicle is driven by more than one driver, the financial reward for the motor fuel conservation achieved is to be divided according to the kilometers driven by the various drivers. If several drivers normally drive the motor vehicle, the manager of the collective may, in exceptional cases, distribute the financial reward to the various drivers on a basis of performance assessment. Such a procedure must be approved by the competent enterprise labor union management following discussion in the work collective.

(6) The managers of the collectives are to be included in the financial rewards awarded their driver collectives. They will receive up to 10 percent of the financial rewards paid their driver collective. The enterprise manager, with the approval of the competent enterprise labor union management, decides the amount of the financial reward to be awarded the manager of the collective.

(7) Financial rewards for motor fuel conservation hitherto granted must continue to be paid the working people in the collectives provided the earlier actual level of consumption is at least maintained or improved up to the standard of the new enterprise norm. The period 1 January-30 September is the base period for the ascertainment of the financial rewards hitherto granted. The money required for that purpose may be additionally planned as costs. Financial rewards as per article 3 also take effect if motor fuel conservation is achieved on the basis of enterprise norms which correspond to or fall below the standard.

Article 5: Concluding Regulations

(1) This order takes effect on 1 December 1981.

(2) Losing effect at the same time is Article 5 of Order of 19 July 1975 on the Standardization of Motor Fuel Consumption for Motor Vehicles in Road Traffic (GB1 I No 32 p 602).

11698
CSO: 2300/135

REPORT ON 1981 DEVELOPMENT OF ECONOMY PUBLISHED

Budapest NEPSZABADSAG in Hungarian 6 Feb 82 pp 1, 3

[Report of the Central Bureau of Statistics: "Development of the Economy in 1981"]

[Text] In 1981, the economy developed basically in the direction specified by the plan. External economic equilibrium improved. The population's real income and consumption exceeded the plan. Purchasing power and market allocations were on the whole in balance. Living conditions improved as a result of net gains in the stock of housing, and through the expansion of the network of educational and health-care institutions.

Fulfillment of the tasks specified in the national economic plan was hampered by several external factors. The conditions of export sales worsened due to the unfavorable market conditions related to the economic situation of the capitalist countries, and to the measures that some of these countries adopted. Imports of some products from socialist countries were below the plan, because of the partner countries' limited ability to export.

To stimulate better economic work at home, and also to make perceptible the unfavorable external effects, certain elements of the system of economic regulation were modified during the year, and both the economy's system of organizations, and the system of institutions for managing the economy, were further modernized.

Amidst the hardships and stricter conditions, some economic organizations improved the efficiency of their production and export. Production was better geared to demand than in the past, and the quantity of production changed in a differentiated manner, by enterprises and sectors. An increase in sales was hampered in some areas by the inadequate competitiveness of the products.

National income in 1981, according to preliminary estimates, exceeded 620 billion forints. At comparable prices, the increase was 1.8 percent, slightly less than planned. Employment in the productive branches dropped 1 percent, while labor productivity in the entire economy increased by 2.5 to 3 percent. The economy's energy consumption lessened somewhat. Specific consumption of materials and energy declined.

At comparable prices, domestic expenditure was the same as in 1980, and its value slightly exceeded national income. The proportion of import surplus within domestic expenditure declined. Personal consumption increased 2.4 percent, faster than had been planned. Accumulation, and within it investment, approximately corresponded to the planned rate. The proportion of accumulation within domestic expenditure lessened further.

Principal Indicators of the Economy's Development in 1981

	Plan	Report
	(Percent of 1980)	
National Income	102.0-102.5	101.8
Domestic expenditure of national income	99.0- 99.5	99.9
Industrial production	103.0-103.5	102.3
National volume of construction and installation work	99.0	96.5
Farm production	103.0	100
Per capita real income	101.0	102.2
Personal consumption	101.5	102.4
Socialist organs' investment, billion forints	182	183.5
Housing construction, 1000 units	77	77

Industry

Industrial production increased by 2.3 percent. The output of state industrial enterprises rose by 1.9 percent; that of the cooperatives, by 8.6 percent. Quantitative change of production was differentiated considerably by sectors, and even by subsectors. This reflected, in addition to the change in demand, also the incentive that enterprise income regulation provided to improve efficiency.

The engineering industry increased its production by 5 percent. Within this there was outstanding growth in the instrument industry, and in the telecommunications and vacuum-engineering industry, and the output of machinery and equipment was expanded significantly. Iron and metal mass production did not achieve the 1980 level. The output of ferrous metallurgy declined, that of aluminum metallurgy rose. The chemical industry increased its output by 2 percent. Within this there was significant growth in the pharmaceutical industry, in the plastics fabrication industry, and in the production of household chemicals and cosmetics, but the output of petroleum refining declined, in conjunction with energy conservation and the structural changes in energy consumption. Light industry's production increased by 2.8 percent. Significant within this was the growth of the paper and printing industry. The increase in the output of the textile industry as a whole was only moderate, but the output of the linen and hemp industry, woolen industry and knitware industry rose at a rapid rate, while the output of the cotton industry declined due to unfavorable market conditions. In comparison with the preceding year, the food industry increased its output by 2.4 percent, the building materials industry produced as much as the previous year, while the mining industry's output was lower than the year before.

Industry's product structure changed, but at a slower rate than necessary. Product development, production development, and the assigning of new products to production are still slow. In 1981 the output of some more important products developed as follows [see next page].

Industry's supply with energy was satisfactory; and its supply with materials was similar to previous years. Reduction of the output of energy-intensive products, and also energy conservation contributed to the fact that the economy consumed less energy than in 1980. Within the consumption of energy sources the proportion of coal rose, that of natural gas remained unchanged, and the proportion of petroleum and petroleum products declined. Electric power generation increased in power plants fueled with lignite and natural gas, but declined in oil-fired power plants.

Output of Some More Important Products in Socialist Industry

	1981 output	1981 in per- cent of 1980
Electric power generation, billion kWh	24.2	101.4
Coal, million tons	25.9	100.9
Petroleum, million tons	2.0	99.6
Natural gas, billion cubic meters	6.0	97.6
Steel, million tons	3.6	96.8
Rolled steel, million tons	2.8	92.6
Bauxite, million tons	2.9	98.8
Alumina, 1000 tons	799	99.3
Semifinished aluminum, 1000 tons	143	106.7
Bricks, billion	2.0	101.3
Cement, million tons	4.6	99.4
Manufactured fertilizer, 1000 tons of active ingredient	1112	106.4
Plant protectants, 1000 tons of active ingredient	29.0	103.6
Plastics, 1000 tons	311	94.9
Buses, 1000 units	11.1	89.4
Computer equipment, billion forints at current prices	5.0	109.3
Television sets, 1000 units	424	101.6
Of which: color TV sets, 1000 units	77	132.4
Tape recorders, 1000 sets	554	120.5
Refrigerators, 1000 units	504	101.0
Washing machines, 1000 units	256	110.1
Furniture, billion forints at current prices	11.9	105.4
Cotton fabric, million square meters	320	96.2
Woolen fabric, million square meters	44.5	104.1
Shoes, million pairs	43.4	100.3
Fresh boned meat, 1000 tons	595	98.0
Milk for consumption, million liters	819	103.6
Dressed poultry, 1000 tons	186	108.5
Sunflower oil, 1000 tons	185	143.5
Beer, million liters	793	101.1
Sugar, 1000 tons	490	104.8

Employment in industry dropped by 33,200 persons or 2.1 percent. The reduction of personnel was the largest in metallurgy, in the engineering industry, in light industry, and in the building materials industry. Labor productivity in industry--computed in terms of output per employee--was 4.5 percent higher than the 1980 level.

Industry's stock of fixed capital was expanded further. Some of the important investment projects under construction were partially commissioned in 1981, for example at the Markushegy coal mine, Nagyegyhaza coal mine, and in the Bito II and Halimba III bauxite mines. In the converter-steel plant of the Danube Iron Works (Dunai Vasmu), the No I converter with a capacity of 500,000 TPY was completed. The export-expanding investment for the production of chassis at the Hungarian Railway Car and Machine Factory (Magyar Vagon- es Gepgyar), the expansion and modernization of the BHG [Beloianisz Telecommunications Factory] Telecommunications Equipment Enterprise (Hiradastechnikai Vallalat), and the 5600 TPY aluminum-foil capacity at the Kobanya Light Metal Works (Kobanyai Konnyufemmu) were realized. The cattle-slaughtering line at the Szekszard Meat Combine (Szekszardi Huskombinat) was commissioned.

In 1981, the export of industrial products slightly exceeded the 1980 level.

Within domestic sales, the quantity of products sold to the population increased by 4.2 percent. Sales for capital construction increased by 1.6 percent, and the purchases of the productive branches increased by 1.5 percent.

Construction Industry

In conjunction with the slowdown in capital construction, the national volume of construction and installation work dropped by 3.5 percent. The output of the contracting construction-industry enterprises was 2.6 percent lower than the previous year. This decline occurred at the state construction-industry enterprises, while contractors in the cooperative sector slightly increased their output.

Construction starts in 1981 were 6 percent higher than the previous year. In spite of this, the number of buildings under construction declined, because commissioning was more on schedule than previously. The construction-industry enterprises increasingly undertook and completed construction work abroad.

Employment in the construction industry continued to decline in 1981. There were 12,000 or 3.7 percent fewer workers in the contracting construction industry than the year before. Output per employee rose by 1.1 percent.

In accordance with the plan, 77,000 housing units were completed during the year. This included 23,000 state-built housing units, and 54,000 privately-built housing units.

Agriculture and Forestry

In 1981, the total output of agricultural products was the same as the year before. Crop production was 2.4 percent below the 1980 level. The output of livestock production rose by 2.2 percent. The decline in crop production stemmed primarily from the fact that the weather caused losses in grain and grapes.

The grain harvested on the nation's plowland in 1981 was 8.6 percent less than the previous year. On a smaller acreage than previously, the wheat harvest was 24 percent lower than the previous year. The average yield per hectare was 16 percent lower than for the 1980 bumper crop. The corn harvest was 4.4 percent more than the year before. The 5860 kilograms per hectare, the highest so far, was 10 percent more than in 1980.

The harvest of sunflower seed increased by 37 percent; and the sugar-beet harvest, by 19 percent. The increases are the combined result of a larger acreage and higher average yields. The 14-percent increase in the potato harvest stemmed from higher average yields. The rice harvest was 45 percent more than in 1980.

Vegetable production declined slightly, and fruit production was essentially at the same level as in 1980. The grape harvest was 30 percent less than in 1980, but the quality of the wine is much better.

The year-end cattle population was 1,945,000 head, 1.4 percent higher than the year before. The 8.3 million hog population was essentially the same as at the end of

1980, but the number of brood sows was substantially higher than in recent years. The sheep herds of the large-scale farms declined by 2 percent, numbering 2.4 million head at the end of the year. Within the 1-percent increase in the production of slaughter animals, the production of slaughter hogs remained essentially at the 1980 level, the production of slaughter poultry and slaughter sheep rose, but the production of slaughter cattle declined. Among the livestock products the production of milk exceeded the 1980 level by 4 percent; the production of wool, by 2 percent; but the production of eggs dropped by 2 percent.

The nonagricultural (industrial, construction-industry, service-industry, etc.) activity of the farms was expanded considerably. The combined average employment on state farms and agricultural cooperatives exceeded the 1980 level by 22,000 persons or 2.8 percent. Primarily the number of workers in agricultural cooperatives assigned to nonagricultural work rose.

Agriculture's supply with manufactured fertilizer improved slightly over 1980, and the average consumption was 216 kilograms per hectare of farmland. During the year the farms procured, among other things, 3600 tractors, 850 harvesting combines, and 5000 trucks.

Forestry's timber output in 1981 was 7.7 million cubic meters, slightly more than in 1980. Afforestation and reforestation jointly increased by more than 10 percent over 1980.

Water Conservation

Water conservation's principal objectives for 1981 were fulfilled. The capacity of public waterworks increased by about 2 percent or 90,000 cubic meters per day. The number of persons connected to the water-supply system increased by 160,000, and thus 77 percent of the country's population are supplied with piped water. Sewage-treatment capacity increased by 13 percent.

Most of the planned water-conservation investments were completed and commissioned. Stage II of the Kiskore barrage was completed.

The main dikes for flood control were further reinforced. By the end of the year, 61 percent of the main dikes met the maximum flood-control specifications. The average time required for inland drainage dropped somewhat.

Transport and Communications

The freight performance of the transportation enterprises increased by 0.7 percent. Within this the freight performance of trucking increased by 2.5 percent; that of inland navigation, by 7.1 percent; and railroad's freight performance remained essentially unchanged. In inter-city passenger service the number of passengers dropped by 8.1 percent, but the length of the average trip rose. In municipal mass transport the number of riders increased by 3 percent over the preceding year. Streetcars transported fewer passengers than in 1980, but the subway and buses transported more.

During the year, the railroad procured 46 diesel or electric locomotives, 150 passenger coaches, and 824 freight cars. The railroad converted to electric traction 66 kilometers of lines, 268 kilometers were modernized, and automatic block signals were installed on 63 kilometers of lines.

Nearly 19,000 new trucks were assigned to highway transport, and municipal mass transport acquired 1029 new buses and 50 subway cars. At the end of the year, service was begun on the Deak Ter--Elmunkas Ter section of [Budapest] subway's North-South line. During the year, 100,000 new cars were sold, and the number of cars exceeded 1.1 million, of which more than 1.0 million were privately owned.

The number of installed phones, including extension phones, increased by 35,000, of which nearly 14,000 were residential telephones.

Employment in transport and communications dropped 1.1 percent or about 4,300 persons, in comparison with 1980.

Foreign Trade

The foreign-trade turnover rose, despite the unfavorable state of the world economy. The net import surplus of merchandise trade was smaller than in 1980.

The import volume slightly exceeded the previous year's import volume. Within this there was a decline in imports of sources of energy, and of machinery for investment purposes, but a rise in imports of materials for production and of products for the population's supply. The export volume was about 3 percent higher than in 1980. Within this the export of farm and food-industry products, at favorable prices, increased significantly. Sales of finished industrial goods on foreign markets rose, although at a significantly lower rate. However, exports of materials, semifinished products and parts declined.

Socialist countries accounted for 55 percent of the trade turnover. Coordinated cooperation with the CEMA countries continued, on the basis of mutual advantages. At current prices, ruble-denominated import rose by 5.3 percent, and ruble-denominated export by 8.9 percent, due to the sharp price increases. The net import surplus was smaller than in 1980.

In nonruble-denominated trade, the value of import and export rose at more or less the same rate. The net balance of trade was influenced favorably by the fact that export prices rose faster than import prices, and thus the terms of trade improved slightly.

Investment

The volume of investment declined by about 7 percent. At current prices, the socialist organs' investment totaled 183.5 billion forints, 6.2 billion less than the previous year. The decline occurred in investment within the state's decision-making competence. Expenditure on such investment declined by 9 percent. Three new large-scale investment projects were started in 1981, three were completed, and a fourth was commissioned partially. Total enterprise and cooperative investment increased slightly, with a greater share of the enterprises' own resources and with credit approved on the basis of stricter criteria. A substantial proportion of the development projects served to increase export allocations, directly or indirectly.

The decline of investment outlays was not general. In some branches--in the chemical industry, agriculture, domestic trade, and also in the area of education and health care--investment outlays rose.

Population, Mobility, Employment

The slow population growth of recent years changed to a decline in 1981. On 1 January 1982, Hungary's population numbered 10,711,000, which was 2,000 fewer than a year earlier. There were 143,000 births in 1981, 5,800 fewer than in 1980. Fewer women of child-bearing age were the primary cause of this decline. There were 145,000 deaths in 1981, the same number as the previous year. The infant mortality rate declined further: to 20.6 infants under 1 year of age per 1000 live births, from 23.2 in 1980.

On 1 January 1982, the number of persons gainfully employed was 4,995,000 or 46.6 percent of the population. During the year, their number declined by 20,000 or 0.4 percent. The cause of this decline was that attrition due to retirement or death exceeded the number of youths joining the workforce and the number of mothers returning from infant-care leave.

The regrouping of employment among the branches of the economy continued in the same way as in years past: employment declined in the productive branches and rose in the nonproductive branches. Within the productive branches, employment declined slightly in industry, the construction industry and in transport and communications, but rose slightly in trade and significantly in agriculture.

As of 1 July 1981, the changeover to a 5-day workweek began at continuously operating plants and at plants working three or more shifts per day. At the end of the year, about 900,000 persons worked a five-day week, and preparations were made for a general changeover to a five-day week at the beginning of 1982.

Personal Income and Consumption

Average monthly earnings per worker or employee were 4720 forints, including supplementary pay. In nominal terms this was more than 6 percent higher than in 1980. In the agricultural cooperatives, average earnings from joint farming--again including supplementary pay--rose by not quite 8 percent, to 4230 forints.

Social cash benefits rose by more than 8 percent, to 19 billion forints. The amount of benefits in kind--health care, education, cultural services--likewise rose.

A total of 61 billion forints was paid out in pensions, 9 percent more than in 1980. The fact that the number of retired persons increased by 49,000 in one year, to 2,131,000, and also higher pensions for the new retirees played a role in this. A contributing factor was that the minimum annual rise in pensions is 100 forints per month as of June 1981, in comparison with 70 forints a month previously. Simultaneously the allowance for the retired person's spouse was increased by 100 forints. In 1981, the average pension per retired person was 2415 forints.

The state paid out 14.5 billion forints for family allowances in 1981, which represents a growth rate of 8 percent. Infant-care aid totaled 3.7 billion forints, slightly less than in 1980. At the end of 1981, a total of 241,000 mothers were claiming infant-care aid, 13,000 mothers fewer than in December 1980.

Considering the growth rate of total income, which is the sum of earned income and social benefits, and on the basis of the 4.6-percent rise of the consumer price level, the growth rate of per capita real income was 2.2 percent on average for Hungary.

Total personal consumption rose by 2.4 percent. The increase manifested itself mostly in the turnover of domestic trade. By intensifying its procurement and expanding its stock, domestic trade improved supply. The retail turnover was 3.4 percent higher than in 1980. Sales of food and gustatory products rose by 2 percent; clothing sales, likewise by 2 percent; and sales of sundry industrial goods, by 5 percent.

The net increase in savings deposits during the year was 14.8 billion forints, to a total of 160.1 billion forints on 31 December.

Health Care, Education

The personnel and institutional conditions of health care improved further in 1981. The number of doctors per 10,000 population rose above 29. The number of hospital beds increased by 1,200. Sixty-eight new general-practitioner and pediatrician districts were formed. The number of unfilled vacancies for district doctors declined.

Day-nursery capacity increased by 3,300 cribs. At the end of 1981, 68,000 day-nursery cribs were available.

The number of kindergarten places increased by 15,800, to a total 401,000 at the end of the year. In the corresponding age group, 82.8 percent of the children attended kindergarten. The overcrowding of kindergartens eased.

Enrollment in day classes of general schools increased by 51,000 in the 1981-1982 school year. Of the students leaving the 8th grade of general school, 93 percent are continuing their studies, in secondary schools and vocational schools, approximately in a ratio of 50:50. In comparison with the preceding school year, enrollment increased slightly in vocational schools and in the day classes of secondary schools. Last year, 68,000 students successfully graduated from secondary school, including 42,000 full-time students. The number of graduates who studied in evening classes or correspondence courses is 2,600 fewer than in 1980.

There are 102,600 students enrolled in higher educational institutions, 1,400 more than a year earlier. The nation's various higher educational institutions awarded diplomas to 25,200 graduates, of whom 14,700 had been full-time students.

The number of general-school classrooms increased by 1,700 over the previous year. The number of general-school teachers increased by 2,600, to 78,000. There are 16,000 teachers in secondary schools, 500 more than in the previous school year.

Social provisions for students improved. Of the students of general schools, 39.9 percent receive meals in daytime homes, as compared with 38.2 percent in 1980. The proportion of apprentices and university students living in apprentice homes and residence halls rose, and the proportion of secondary-school students in such accommodations dropped slightly.

Tourism

In 1981, 14.8 million foreigners visited Hungary, 850,000 or 6 percent more than in 1980. This includes 10.5 million tourists, 11 percent more than the previous year. The average tourist spent 7 days in Hungary.

During the year, Hungarian citizens took 5.5 million trips abroad, 7 percent more than in 1980. In 1981, net revenue from tourism was greater than the year earlier.

About 1000 beds were added to hotel capacity in 1981. Other commercial accommodations --tourist homes, summer cottages, camps, and households accepting paying guests--increased their capacity by 19,000 beds.

Budapest, 5 February 1982.

1014

CSO: 2500/128

RESULTS OF ENERGY CONSERVATION PROGRAM VIEWED

Budapest PENZUGYI SZEMLE in Hungarian No 1, Jan 82 pp 3-7

[Article by Dr Laszlo Kapolyi, state secretary, Ministry of Industry: "Results of Implementing the Energy Conservation Program"*]

[Text] On 24 December 1980, the Council of Ministers approved the energy conservation program of the government for the Sixth Five-Year Plan and the action program establishing the basis for implementing it. The goal of this program is to moderate the increasing rate of energy consumption and to change the structure of energy consumption and energy sources, in the interest of increasing the ratio of our domestic energy resources (coal, natural gas, and nuclear energy) and to decrease the amount of imported petroleum and petroleum products. The program budgeted 30 billion forints of investments for the plan's time period for the developments needed to reach these goals. Half of this will be used to finance major investments by the state for improving the production of natural gas and increasing the production of inert gases and electrical energy, while the other half was earmarked for energy rationalization investments by the enterprises (aimed at energy savings and replacement of energy sources). Of this latter, the enterprises will receive 6.4 billion forints as state subsidy, while 8.6 billion forints will become bank loans and private resources of the enterprises. An announcement for competitive bids was announced in November 1980 for the opportunities of taking advantage of the state subsidy and loans. Normative requirements which are required to obtain the state subsidy and loans were specified in this.

Results of the program's beginning can be summarized in the following:

It is projected that in 1981 the country will have used significantly less energy than was predicted in the calculation material of the national economy's Sixth Five-Year Plan. It is expected that this favorable process will continue and the energy consumption of the 1982 economic year will also be significantly lower than the plan.

The decrease in the consumption of energy sources can be traced back in part to moderation and changes in the extent and structure of economic growth as compared

*Study based on a report delivered to the Industrial Committee of the National Assembly (on 18 October 1981).

to the plan—of the volume of energy-demanding products within the industrial production. But beyond this, the energy rationalization, conservation and price measures which were motivated by recognition of financial reasonability and by the positive changes in social awareness, also have an effect on the decreasing demand for energy.

The program projected a savings of about 50 PJ [pitaJoules= 10^{15} Joules] of energy per year (12 Pcal [pitacalories= 10^{15} calories] per year) by the end of the plan period as a result of the energy rationalization activity.* For the first years of the plan period a savings of about 8.4 PJ per year (2 Pcal per year) was projected from these savings.

Table 1.

8	Energiafelhasználás csökkenése	11 M. a.: PJ (Pcal)			
		9 PJ-ben		10 Pcal-ban	
		1981	1982	1981	1982
1.	A gazdasági növekedés mértékének csökkenése következtében	13,4	23,9	3,2	6,7
2.	A termelés szerkezet változása következtében	5,4	7,5	1,3	1,8
3.	Tervezett energiatakarékosági tevékenység mértéke	8,4	8,4	2,0	2,0
4.	Energioracionalizálási beruházások tervén felüli eredményeként	3,3	6,3	0,8	1,5
5.	Szervezési intézkedések révén és az ár- és egyéb ösztönzők hatására	15,5	12,6	3,7	3,0
6.	A tervhez képest összesen (1+2+4+5)	37,6	50,3	9,0	12,9
7.	Az energiaszabályozási program végrehajtásának eredményeként összesen (3+4+5)	27,2	27,2	6,5	6,5

Key:

1. Due to decrease in the extent of economic growth
2. Due to changes in the production structure
3. Size of the planned energy conservation activity
4. As result in excess of the plan of the energy rationalization investments
5. By means of organizational measures and due to the effect of price and other incentives
6. Total, in comparison with the plan (1+2+4+5)
7. Total, as a result of implementing the energy management program (3+4+5)
8. Decreases in energy consumption
9. Expressed in terms of PJ
10. Expressed in terms of Pcal
11. Units of measurement: PJ (Pcal)

*1 Pcal=4.18 PJ

Note: It can be seen in Table 1 that the above savings of energy sources contain the direct savings of energy sources which appear at the consumer [level] and do not take into consideration conversion and transportation losses. With these, the value at the national economy's level can be increased by about 10 percent.

Thus, energy consumption is decreased by several factors. Table 1 shows the effect of these on decreasing the energy demand.

In addition to decreasing the growth rate of energy consumption, that is, the absolute conservation of energy, the program also prescribed changes in the structures of energy consumption and energy sources, in the interest of decreasing the import of petroleum and petroleum products. Within our resources of energy bearers, Table 2 shows the ratio of domestic and imported energy sources.

Table 2.

	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Domestic production, percentage	52.9	49.0	47.7	48.4
Imports, percentage	47.1	51.0	52.3	51.6

The ratio of energy source imports reflects the increase in the imports of electrical energy and natural gas (Orenburg). The import of these two energy sources from the Soviet Union economically improves the structure of our energy sources even at today's world market prices. The increase in the ratio of domestic production beginning in 1981—which will be relatively small for the time being—is the result of increased production in the domestic coal mining.

The composition of our energy resources, broken down by types of energy bearers, developed as shown in Table 3.

Table 3.

	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>
Coal types, total	30.0	28.9	29.0	29.7
Hydrocarbons, total	64.5	64.3	63.3	61.9
Of this: liquid	40.7	39.8	36.2	34.8
gaseous	23.8	24.5	27.1	27.1
Miscellaneous (imported electrical energy, fire wood, etc.)	5.5	6.8	7.7	8.4
Total	100.0	100.0	100.0	100.0

Table 3 shows well the process by which the first favorable results of conservation and structural changes appeared first in 1979 in our energy management, and as a result of this the ratio of liquid energy sources (petroleum and petroleum products) in our energy balance decreased from 40.7 percent in 1978 to 34.8 percent in 1981.

Detailed implementation of the government's energy-management program was defined in our Action Program. Its implementation is in progress with great enthusiasm. There are already results and experiences gained in connection with the implementation of the goals of energy rationalization and energy technology development as well as of the industrial background. The most important ones of these are:

--By 10 October 1981 bank contracts have been signed for the implementation of 198 investments worth 4,151,000,000 forints. As a result of which in the following years of the plan time period a saving of energy sources with an equivalent heat value of 7.53 PJ per year will take place, and in addition to this 2.6 PJ per year of heating oil, 3.0 PJ per year of metallurgical coke, and 0.4 PJ per year of household coke will be replaced with other types of energy sources.

--An additional 16 enterprises will implement energy-rationalization investments with their own resources and without taking advantage of subsidies, in the amount of about 630 million forints. This is expected to result in savings of about 1.2 PJ per year in 1982.

--Energy-source savings of 6.3 PJ per year (1.5 Pcal per year) are expected in 1982 by energy-rationalization applications submitted and accepted thus far. This value includes those energy-rationalization investments which will begin to operate by 1 January 1982. By speeding up the program and with the investments which will begin to operate after January 1982 the expected savings will be 3.5 Pcal per year in 1982.

--In the interest of fulfilling the goals of the program, it would be important to speed up the studies of identifying energy losses. Based on these studies the interested enterprises can work out their energy-rationalization proposals for energy conservation, decreasing specific energy consumption, and economical energy-source replacements.

--The fact that in 1981, due to budget shortages, the Hungarian National Bank [MNB] did not issue loan contracts for applications which would have realized in mostly fuel oil replacements of about 160 TJ per year [teraJoule= 10^{12} Joule] temporarily put the brakes on the process of the energy rationalization program. This temporary slowdown was ended in October 1981 when the National Development Bank [AFB] transferred funds to the MNB to enable it to finance these applications.

--The concept which, at the start of the program, qualified the energy-source substitutions unfavorable and excessive also slowed down the implementation of the energy rationalization program. It is unanimously accepted today that energy-source replacements in the favorable direction (replacing oil products with coal, natural gas or agricultural byproducts) serve the goals of the energy-rationalization program if they satisfy the normative requirements.

In summary: the following tasks must be carried out in 1982 to implement the energy-rationalization goals of the Sixth Five-Year Plan's energy management program:

--the ministries which use significant amounts of energy, by accelerating their studies to identify losses, by the beginning of next year should identify application opportunities to result in the appropriate amount and proper level of absolute energy-source savings and replacements, and should help finalize these contracts;

--by taking advantage of still-unused state subsidies and loans, bank [loan] contracts should be negotiated for as economical investments as possible;

--the evaluating organs (OEGH [National Energy Management Authority], MNB, AFB) will accept proposals aimed at insuring implementation of the national economic goal in an accelerated process and will within a short time finalize appropriately supported contracts.

Equipment incorporating modern energy-management requirements is for the most part available in sufficient quantities to implement the manufacturing and product-improvement tasks included in the energy-management program. Some of these (gas appliances: stove, room heater; electrical appliances: stove, hot plate; oil-fired room heaters; solid fuels: stove) are also available to the population in sufficient numbers.

Supply is not yet satisfactory in several appropriate-quality gas and electrical appliances, and automatic condensate water drains. The supply of solid-fuel room heaters is not satisfactory either from the quantity or the quality viewpoints. Efforts must be made to eliminate these--some quantitative, and some qualitative--shortages.

In agriculture, the technological developments needed in the interest of moist storage of grain crops and utilization of byproducts in energetics, as well as the establishment of quality-control measures on the equipment have expanded during the year, and in some cases have grown into plant-wide operations. The farms are accomplishing this partly with imported equipment and partly with prototypes and experimental samples of domestic technological growth. Implementation of the program is progressing at a good rate.

The action program's organizational measures fostering energy savings resulted in 1981 in significantly higher energy-source savings and replacements than had been projected. This saving became possible--due to the effect of price measures--primarily by eliminating waste, making the control discipline more strict and more reasonable, and by traffic and plant organizational measures; and by decreasing specific energy consumption resulting from these. It is very important that these savings continue to be made, that in 1982 the measures continue to exert their favorable effect.

Decreasing the burdens of energy imports on the national economy is an important goal, and therefore it is desirable to expand the program in 1982 and speed up its implementation. To this end, while we preserve the results already achieved through organizational measures, it is necessary to open up additional conservation and substitution opportunities, but it must also be considered that the growth rate of savings attainable through organizational measures--without investments--will decrease in the future.

The branch ministries issued information about the goals of the energy-management program to the branch trade unions so that these could be taken into consideration in organizing and managing the labor competition, the innovation movement and the brigade movement.

The MTESZ [Federation of Technical and Scientific Associations] continues the activity it started. Three rounds of the energy-conservation competition announced by the federation have been completed. The energy-saving opportunities brought to the surface by the competition entries brought results which form an organic part of the energy-management program and are in close harmony with it. The enterprises incorporated the opportunities opened up by the competitive entries into their energy-management plans, and as a result of their implementation 4.18 PJ per year of savings have already been realized. Additional energy-source savings of 4.6 PJ per year can be expected in 1982.

In the future, the MTESZ plans to announce one round of competition per year within the framework of a modernized competition system. The regional organs of MTESZ will continue to take an active part in helping to implement the energy-management programs of the megye councils.

The IpM [Ministry of Industry] and the KISZ [Hungarian Communist Youth League] Central Committee have signed an agreement in which the KISZ has agreed to perform significant energy-management tasks. The IpM has prepared its proposal of specific tasks and delivered it to the KISZ Central Committee. According to the proposals, the energy-management bureau--now in the process of organization--operating side by side with the KISZ Central Committee will assist implementation of the program by collecting energetics information, performing waste-analysis studies, developing specific energy-consumption indices and social supervision of the observation of energy-conservation regulations.

In summary, it can be concluded that the startup of the Sixth Five-Year Plan's energy-conservation program can be considered successful. Decreasing energy consumption and shifting the structure of energy sources in a favorable direction were successfully accomplished to a greater extent than the program's original goals specified. But decreasing the national economy's burdens which derive from the import of energy sources makes it necessary to expand and accelerate the program. Both the enterprises and the directing organs will have to make additional efforts to accomplish this.

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GOVERNMENT MOVES AGAINST EXCESSIVE PRICE INCREASES

Warsaw ZYCIE WARSZAWY in Polish 1 Feb 82 p 3

[Text] The government Press Office has informed the nation about actions taken against excessive price increases for market goods. As a result of the numerous cases of significant and unjustifiable price increases for manufacturing goods set by producers, a Price Inspectorate has been established, whose goal is to halt excessive increase in prices.

The resolution by the Council of Ministers calls for a Price Inspectorate whose task will be:

- .to control conformity in price calculations, based upon the need to set official and regulated prices;
- .to control the level of prices, costs and profitability of goods and services, for which prices are agreed and free;
- .to determine whether obligatory prices are honored; and
- .to prepare periodic evaluations about the state of discipline in prices set by producers and service centers.

The above tasks of the Price Inspectorate will be carried out through a cooperative effort with the state's field administrative organs; financial, ministerial and social organs; and also with organizations acting to defend the public interest; e.g., the Consumers' Federation.

The Price Inspectorate has also recommended joint action with the State Trade Inspectorate and the Polish Committee for Standardization, Measures and Quality so as to increase the protection of buyers from excessive prices or lower quality of goods without a corresponding price reduction.

Violation of the principle of price stabilization will be punishable by financial and service sanctions. Producers will pay to the central budget an amount equal to 150 percent of the profit derived from violating calculating regulations or set prices.

The Price Inspectorate also will go to the chairman of the State Price Commission with the conclusions made as to the elimination of the right of producers to set agreed and free prices.

In accordance with the decision made by the Economic Committee of the Council of Ministers, an interministerial team was called to coordinate the work on the

methodology of price creation, and also to introduce schooling and instruction in this area.

On 26 January 1982 the team recommended to economic-type ministries that they establish principles for calculating costs in setting free prices. Particular attention was paid to eliminating from calculation the costs of reserves like:

- .too high of an increase in salaries, based upon respect;
- .unjustifiable increase in work shifts and job classifications, without consideration of labor productivity;
- .acceptance in calculations of significantly higher losses for deficits than in previous years.

The ministries of the light and chemical industries, as well as metallurgy and the machine industry, were given information about glaring examples of the level of price increases for some market goods for the purpose of introducing an analysis and eventual verification of their level.

Likewise, the State Price Commission is introducing a multiple control activity based upon:

- .a constant observation and analysis of the level of free prices; and
- .upon sending inspectors to the enterprises producing market goods, after receipt of information regarding glaring price increases.

In the course of the price inspections, a method will be introduced to set new prices, honesty and correctness in calculating costs and adherence to profit regulations, turnover tax and margin of profit. At present, price calculations are taking place at 90 enterprises.

Stipulations have been announced for several prices on market goods. As a result of inspections, many plants now verify their cost calculations. A portion of those prices set at too high levels has been reduced.

Here are several examples of prices lowered by some enterprises as a result of inspections made by the State Price Commission. The knitting plant LUBGAL in Lublin is lowering its price for women's skirts from 1,100 zlotys to 910 zlotys and children's skirts from 230 zlotys to 198 zlotys. Prices for nine other products were lowered. The Lublin Buczek plant, which produces leather products, lowered the prices of its suitcases from 1,350 zlotys to 1,050 zlotys and travel bags from 1,400 zlotys to 950 zlotys. The Gansk knitting enterprise FALA, which produces girls' pullovers, lowered its price from 980 zlotys to 600 zlotys. Also, ZPP ZYNTEX in Lowicz changed the original prices on several goods; e.g., men's wool and elastic socks from 95 zlotys to 52 zlotys.

The State Price Commission also has set into motion a system of current information on the level of prices for new industrial goods appearing in stores throughout the country, as well as the degree of demand for those goods.

FEED SHORTAGE AFFECTS MEAT PRODUCTION

Poultry Production

Warsaw ZYCIE WARSZAWY in Polish 11 Dec 81 p 6

[Article by L. Bojko]

[Text] I cannot remember such clashes and so large a press conference in the Ministry of Agriculture, and I remember a lot of them. The storm broke over the issue of poultry producers, who caused alarm by reason of reduced feed deliveries, which can lead to a significant reduction in poultry deliveries in the market. The problem in essence is unsettling, because a considerable reduction of poultry deliveries will be added to the lack of pork, beef, milk, butter and cream. In the fourth quarter of this year, the poultry industry has guaranteed deliveries of 590,000 tons of feed and 36,000 tons of grain, from which 122,000 tons of meat will be produced. In the first quarter of next year, the share of feed was limited to 530,000 tons, which will cause a 25,000-ton reduction in chicken production.

This decline in production still would not be so worrisome, but in March a real poultry crisis may await us, as the initial signs of a reduction in feed deliveries will show up at that time. The Ministry of Agriculture estimates that poultry production in January and February will be 78,000 tons, while in March it could fall to 6,000 tons. The problem—like the majority of our current problems—originates in the balance of payments. The issue is that all feeds for chicken production are imported and paid for with dollars. Each kilogram of chicken costs us \$1; for 122,000 tons of poultry, we have to pay in the fourth quarter \$122 million. Of course, a portion is paid in cash and the balance on credit which we shall have to repay with interest. The whole thing comes down to whether or not Vice Premier Zbigniew Madej, who is currently in the United States, will obtain credits to purchase corn and other feed products. And even if he gets the credits, will we make it in time to get the feed across the Atlantic?

The Ministry of Agriculture warned the POLDROB association about the eventual threat of a feed shortage. The association in turn alarmed the producers, who in turn used every means possible to alarm society. And society is alarmed.

The bottom line is that now not everything depends on the minister of agriculture, but rather on the vice premier and the American negotiators, because the basic component of feed is corn, which--despite all sorts of attempts and financial outlays--has refused to grow in Poland. Again we are trapped--either we pay out several million dollars to import feed for poultry farms or we shall not have any chicken in March. I know life, and I believe that the latter alternative will not happen. After much press pressure, our negotiator already has received instructions not to return without corn, so we shall eat another share of our dollars. It cannot be ruled out that as a result we shall have a dollar shortage for the import of feed for pigs or worse--grain for consumption.

I for one can only express my regret that in no other production area have the farmers been able to bring out such a large societal resonance. Let us recall the uproar last year concerning pigs, when in the Sejm one of the vice premiers proposed the old Polish dish--baly pig with buckwheat grits. At the time, the issue was also assistance and prevention of a crisis that was far worse than the current one with poultry. It could have been avoided by increasing feed deliveries for producers of sows and pigs, among others, at the cost of the poultry industry. It was not done, the uproar over pigs subsided quickly, the farmers slaughtered the sows and now the price of pigs is often 10 times higher than that of last year.

There was also no success in organizing milk producers to force production not of milkers but rather of carriers, and the production of hygienic means fell as a result of the lack of even smaller quotes for the import of indispensable components. This year, a significant portion of our potatoes is spoiling because we have not succeeded in preventing potato blight, as means for import... These issues concern all farmers on 3 million farms. Poultry is produced on 2,200 farms, of which one-third are collectivized and the remainder are in private hands. The subject of a separate article--why did we fall into the current "poultry trap"? Why were we forced into a 100 percent import-inclined production? Why did we have the green light to move all possible credits in the banks during a time when the farmers could not obtain help to remodel the cow shed? Let us add that if this production had anything in common with agriculture, it was only with American agriculture. In Poland, we could have developed it anywhere, even on Defilade Square in Warsaw, or better yet--near the port so as not to transport feed around the country. Farm owners do not have any feed base. Everything for production comes from industry.

For today, let us state a simple fact--we are in a trap.

More Grain Needed

Warsaw TRYBUNA LUDU in Polish 5 Jan 82 pp 1, 2

[Article by Ewa Fiala; portions in slantlines printed in boldface]

[Text] /Our interests and emotions with respect to the food market are concentrated above all on meat and meat products.

This is understood and based upon many considerations. Fundamental among them is the fact that it is simply difficult to purchase meat./

But meat and all animal products making their way to the market are "products" of feeds. And of these feeds, the basic and most valuable is grain. It can thus be said that everything begins from grain. Therefore, our interest should be concentrated on grain. This is especially true now, as there are enormous problems with it; in essence, there is not enough grain for meat and other animal products, and not enough grain for flour, cereal, macaroni and bread.

/The grain-fodder balance for this year (counted in agriculture from 1 July 1981 to 30 June 1982) stands at 9 million tons of grain and 1.5 million tons of feed components. We need this much. To a large degree, imports are supposed to guarantee our needs./ It is estimated that we purchase from abroad 5.5 million tons of grain and 1.5 million tons of corn components. We need to buy 3.6 million tons of grain from the farmers. /Unfortunately, none of these entries is certain./

Imports to date are about 3 million tons, and further deliveries are very problematical. This is not only because of the country's payments situation, but also because of the economic restrictions placed on Poland, above all by the United States. Grain purchases in Poland are going very sluggishly.

Of the 1980-81 harvest, farmers sold to the state 1.4 million tons, although there were contracts for about 1 million tons more. Recently taken actions to require the administrations of production organizations and buyers to guarantee the implementation of the contracts by 15 February at the latest have brought very paltry results. Grain purchases continue to be low.

/And after all, it is not true that there is no grain in the country./ Last year's harvest was not outstanding, but 20 million tons cannot be regarded as nothing. Even acknowledging a certain error in this calculation, and adding the actual state of stock, it must be accepted that there is more grain in the granaries than is necessary for the farmers' own needs, including fodder for inventory.

Why do the farmers not wish to sell grain? Simply, they regard it as the best investment of money. But they are making a mistake as a result of ignorance. The farmers do not know that from November, as it appears, for each kilogram, quintal or ton of grain, they will receive next year's price. Information about the revaluation (or, in other words, payments for used quotas)--beginning 1 November 1981--for agricultural products sold to the state, which will be squared as soon as the new prices take effect, did not reach all interested parties.

Deficiencies in the state granaries, which were projected by problems with grain for basic market goods produced from grain, lead to irritability. Feed problems increase it. Counting what is "in the hand," one cannot guard against the worst-case scenario; i.e., 1) there will not be enough grain for bread, and 2) grain needed to feed stock will be even more needed, as those farmers with stock do not always have grain.

/However, grain is not an obligation placed upon the farmer, but it is a necessity required for societal needs and it must be found where it should be--in mills, stores and bakeries. How can this be done?/

If information concerning the November revaluation of used quotas has not yet reached everyone, then the first thing to do is inform each farmer in each village about it. But there is still one other issue--the concept that was born not long ago in opposition to the government's decision to revalue used quotas; i.e., the so-called GRAIN LOAN.

What was supposed to have been its basis? Vice voivodes dealing with agriculture just before the beginning of the new year had a meeting at the Ministry of Agriculture and the Food Economy, where the concept was introduced. Initial opinions were positive.

/The grain loan was supposed to have been based on the sale of grain to the state not for cash (although it was possible, of course), but rather for bonds and I.O.U.'s that would be honored in 1983-85 for prices existing at that time./ It was to have been an honest transaction and so profitable for the farmers that they could have obtained production means more easily through "loaned" grains. It was also possible to think about whether it would have been useful and possible to award a bonus with attractive industrial goods for the farm or the rural household.

There is probably no other sensible way to obtain grain. What the farmers need to buy from the state is no longer for sale, as it is not within the capacity of industry to produce it. It is thus necessary to set demand aside for the time being so as to create the conditions whereby--let us hope--this will be real.

On the other hand, there is a real possibility today of purchasing grain from the countryside. If the farmers were "to loan" about 3 million tons of grain (i.e., the same amount they sold in previous years), then the possibility would exist to meet the country's most urgent needs.

To be sure, the material chances for such a solution exist. It is necessary to create a certain "loan" climate in the countryside. The bottom line, as always, should be to inform the farmers about the proposed concept's principles. However, along with this is the need to change the attitudes of the people in the countryside.

Insufficient Procurement

Warsaw TRYBUNA LUDU in Polish 5 Jan 82 pp 1, 2

[Portions in slantlines printed in boldface]

[Text] /The supply on the market of basic food stuffs like meat, milk and its byproducts, potatoes and farinaceous goods depends primarily on the purchase of agricultural products./

Last year's procurement of animals for slaughter, milk, grain and potatoes on a national scale was unsatisfactory and lower than requirements, although there are regions where despite many difficulties, the annual plan for the procurement of some agricultural products was met. Among others, the annual plan for the procurement of animals for slaughter was met by farmers in Pila Voivodship, which delivered 71,600 tons of meat (about 1,200 tons more than anticipated) to the county procurement points.

In other regions, the situation varies considerably. For example, in Ciechanow Voivodship, the increased movement of animals for slaughter in procurement points was noted only during the second half of December 1981. At the beginning of December, farmers delivered daily to the state 350-400 porkers and about 40 cattle. In the last days of the past month, procurement points in Ciechanow Voivodship accepted daily over 1,200 porkers and 150 cattle. The higher procurement of animals at the end of December, however, could not overcome the procurement deficit for the month. /In Ciechanow Voivodship, the procurement of porkers and cattle met 63 and 56 percent of the plan, respectively./

A similar situation exists on a national scale. /In 1981, procurement of animals for slaughter from private farmers and collectives together reached over 1.46 million tons of meat, which was over 30 percent less than last year. Such low meat procurement has not been noted since 1973./ On the last day of December 1981, procurement points accepted from farmers about 2,000 tons of animals for slaughter. At present, the market's daily needs for meat stand at 6,000 tons.

On the other hand, the situation regarding milk procurement is not bad. During the course of the new year's first 3 days, milk collectives accepted almost 54 million liters of milk from cattle producers. On 3 January 1981, 18.8 million liters of milk were procured, or about 420,000 liters more than on this same date last year. This higher level of milk procurement as compared to last year continues. /Therefore, there is hope that during the next few months the market will receive more milk and cheese, both of which are most needed. Thanks to the higher procurement of milk, there should not be any difficulties in supplying milk with 3.2 percent fat for children aged between 1 year and 3 years, and also powdered milk for infants.

/Up to now, farmers have not realized contracted deliveries of potatoes, which had been earmarked for urban dwellers. It is estimated that the potato shortage stands at about 350,000 tons./ The situation is gravest in Katowice, Walbrzych, Bielsko and Warsaw Voivodships. Toward the goal of correcting the potato shortage in the large urban agglomerates, it was decided to continue their procurement throughout the winter. It was also decided to create a constant reserve of 17,000 tons of potatoes in voivodships having surpluses /(e.g., Sieradz, Kalisz, Bialystock, Lomza, Siedlce, Ostroleka, Lublin and Piotrkow)/, from which the stored potatoes will be transported by truck or rail to voivodships where potato shortages exist. The remaining voivodships must either fill their winter reserves or guarantee their current supply by implementing contractual agreements in their own areas. At present, the possibility exists to activate the procurement of potatoes.

/Still at an impasse is the procurement of grain. County procurement points take in daily from farmers 250-300 tons of grain, which is an amount significantly less than the needs of the grain-milling industry./ This is why the urgent necessity exists to implement contracts with farmers for the delivery of grain to the state. Not a small role in this is played by the procurement organization, which must be corrected. Much also depends both on the preparation of threshing aggregates and the introduction of threshing action, as many farmers still have their unthreshed grain in stacks or barns.

First-Quarter Deliveries

Warsaw TRYBUNA LUDU in Polish 11 Jan 82 pp 1, 2

[Portions in slantlines printed in boldface]

[Text] /Last year's grain harvest and the majority of deliveries to procurement points of all agricultural products for the food industry, including deliveries resulting from contracts signed earlier and the degree tying farmers to those contracts at present, will decide the level of the market's food supply during this year's first quarter./

Unfortunately, procurement to date has been bad, especially with respect to pork, beef and grain. Prognosis for the next 3 months is also not too optimistic. This is why deliveries of some foodstuffs to supply the market can be lower in the first quarter of the year as compared to the same period last year.

/According to estimates by the Ministry of Agriculture and the Food Economy, the procurement of animals for slaughter, together with poultry, in the first quarter of 1982, should be somewhere over 400,000 tons, and thus it will be almost 180,000 tons less than in the same period last year. The greatest decline--it is almost guaranteed based upon a shortage of imported corn--will be in the procurement of poultry; i.e., about 39,000 tons or 42 percent as compared to the first quarter of last year./ Anticipated 30 percent lower procurement of animals for slaughter, together with poultry, is justified as a result of the contract between the farmers and the government for meat in January and February.

/Therefore, if the situation with respect to the procurement of porkers and cattle is not corrected within the next few months and the ministry's projections are not fulfilled, the market will receive in the first quarter of 1982 about 312,000 tons of meat and its byproducts, or about 68,000 tons less than in the same period last year. Estimated deliveries of poultry for the period are 36,000 tons, or 52,000 tons less than in the first 3 months of 1981./ The greatest decline in poultry deliveries will occur in February and March. If a basic improvement in the procurement of animals for slaughter does not occur, then in January the market will receive about 130,000 tons of meat, but only about 110,000 each in February and March.

/The consequence of a low procurement of pigs for slaughter also will be fewer deliveries of animal fats and bacon.

/The low procurement of grain will have a negative influence on the production and delivery to the market of flour and grain goods./ During the first quarter of 1981, the grain-milling industry delivered 928,000 tons of flour to the market and bakeries; this year it will deliver 892,000 tons. The bakeries using rye and wheat flour are not suffering from this, as in the first quarter of the year they will receive 760,000 tons, or 2,000 tons more than in the same period last year. /On the other hand, deliveries of farinaceous goods to the market will be lower./ During the course of 3 months in 1982, the trade will receive, among others, 11,500 tons of oats (about 500 tons less than last year), 78,000 tons of cereals (over 3,000 tons less) and 22,000 tons of macaroni.

/On the other hand, vegetable oils and margarine are not in bad shape.

/Sugar deliveries this quarter stand at 292,000 tons and they will be about 55,000 tons greater than in the same period last year. However, there will be 11 million fewer liters of alcoholic beverages on the market. The tobacco industry will deliver to the market almost 21 billion cigarettes, or over 1 billion less than during the same time last year./

Grain Procurement Still Low

Warsaw TRYBUNA LUDU in Polish 11 Jan 82 pp 1, 2

[Article by Wl. Bielski; portions in slantlines printed in boldface]

[Text] /On Saturday, 9 January 1982, at the session of the Main Committee of ZSL (United Peasant Party) in Warsaw, a meeting of farmers' representatives from the entire country took place--one of the first on such a scale during the martial law period. The farmers were represented by chairmen and members of the producers' associations./

The meeting was chaired by the ZSL vice premier, Roman Malinowski. Others in attendance included the secretary of the PZPR Central Committee, Zbigniew Michalek, and the minister of agriculture and the food economy, Jerzy Wojtecki.

/The most urgent and important tasks of agriculture--immediate and long-term--/ were the primary motivation of the discussions among the farmers and the appearances of Roman Malinowski, Jerzy Wojtecki and Zbigniew Michalek.

/Most attention was paid to the issue of agricultural goods procurement./ Despite the marked improvement in the supply of animals for slaughter during the past few days, the situation with respect to grain procurement continues to be unsatisfactory. From last year's harvest estimated at 20 million tons, farmers set aside--in accordance with contractual agreements--1.35 million tons. /This is a very small amount, especially if it is taken into consideration that the people's consumer needs require the earmarking of 500,000 tons of grain per month. It is also small in relation to the procurement plan, estimated at 3.6 million tons, of which 2.4 million tons is under contract between the farmers and the government./

Because the actual reserves of procured grain, although frequently supplemented by imports, would be sufficient only to the end of February, the minister of agriculture has decided /on the necessary repurchase of the full amount of contracted grain, thus an additional 1 million tons. Realization of this recommendation should be introduced by 15 February of this year./

At the same time--as we already have discussed--the proposal of so-called /grain loans/ was introduced. The farmers who sell to the state by 30 June additional amounts of grain over that contracted for can obtain bonds (rather than cash), which will be repurchased by cooperative banks in 1983-85 for prices existing at that time.

/The bonds will be based on interest rates, just like savings accounts. The value of "loaned" grain sold also will be calculated with respect to the amount of the agricultural pension./ Farmers present at the meeting also proposed that additional sales be tied to the preferential system for purchase of production means.

A particular actuality as regards the problem of grain procurement results from the fact of an essential reduction in import possibilities. /As a result of financial difficulties and the additional burden of restrictions placed on Poland by the American government, the principal plan for the procurement of grain and components abroad (7.5 million tons) was not realized./

Reductions in imports have caused us /to produce about 400,000 tons of poultry less than anticipated/ (chiefly as a result of a corn shortage); /pork production also could see a periodic stoppage./ Most essential is the rational and maximal utilization of grain in production, in order to minimize the chances of unprofitable tendencies in the raising of animals.

Taking into consideration the reality resulting from the balance, a decision was made for /a temporary reduction in meat-rationing quotas./ As is known, this concerns urban consumers for the most part, but also farmers in particular. Owners of farms of more than 0.5 ha in general have been deprived of meat-rationing coupons.

This unpopular, though necessary, decision has caused an understandable controversy which found expression at the Saturday meeting. Minister Jerzy Wojtecki explained that /the reduction in the system of meat rationing in no case will concern infants, retired people and pensioners or farmers without regard for the state of their property./ There is also the possibility of raising the size of farms excluded from the meat rationing system to those over 1 ha.

However, elimination of the period of temporary reductions in meat-rationing coupons will require regular deliveries of agricultural products in the next few weeks and months.

The country's very difficult economic and, in particular, financial situation demands the necessity for understanding /such a production direction so that Polish agriculture may become self-sufficient in supplying feed for raising

animals. This is the primary motivation of solutions proposed for agricultural development in 1982-85./ We shall discuss this issue at a later date; in the meantime, we shall limit ourselves to a few comments.

Within the area of capital investments, preference for land reclamation and water projects are anticipated. As regards organizational efficiency--closer connections between the agricultural producer and the farmer--new contractual principles, including all agricultural sectors and products, are planned. /The principle of giving first priority in obtaining industrial production means to those farmers who realize their contractual obligations will be observed. These farmers will also have first priority in land purchases; e.g., from the state fund./

Those farmers participating in the deliberations accepted the proposals. They also confirmed that despite the numerous difficulties with which rural inhabitants are struggling, the feeling is that discipline in the service of agriculture will lead to an improvement in the social frame of mind in the countryside. In practice, this involves an increase in the number of animals for slaughter and more declarations for increased grain production.

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CSO: 2600/252

ORDER ON CUSTOMS EVALUATION RATE FOR IMPORTED GOODS

Bucharest BULETINUL OFICIAL in Romanian Part I No 13, 29 Jan 82 p 2

[Order on the Coefficient for the Customs Evaluation of Imported Goods]

[Text] The deputy prime minister and minister of foreign trade and international economic cooperation and the minister of finance,

on the basis of Decree No 164/19798 on the organization and operation of the Ministry of Foreign Trade and International Economic Cooperation and Decree No 784/1969 on the organization and operation of the Ministry of Finance,

taking into consideration the provisions of Article 24 of the Customs Code of the Socialist Republic of Romania and Article 85 of the Customs Regulation,

in accordance with Article 9 of the agreement on the application of Article VII of the General Agreement on Tariffs and Trade, accepted by the Socialist Republic of Romania in Decree No 183/1980,

issue the following order:

Article 1--In order to determine the customs value of goods imported into the Socialist Republic of Romania, the foreign hard currency prices of these goods will be calculated in lei, on the basis of the customs evaluation coefficient set at 15 lei for 1 U.S. dollar.

Article 2--As of the date of the present order, instruction No 76/1973 of the Ministry of Foreign Trade and International Economic Cooperation and of the Ministry of Finance on the coefficient for customs evaluation is abrogated.

Deputy prime minister of the government and minister of foreign trade and international economic cooperation, Cornel Burtica

Minister of finance, Petre Gigea

Bucharest 31 December 1981
No 88

CSO: 2700/189

NEW REGULATIONS ON SPECIFYING DANGEROUS INDUSTRIAL UNITS

Bucharest BULETINUL OFICIAL in Romanian Part I No 10, 26 Jan 82 p 2

[Council of Ministers Decision Specifying Units With Open Flames or With Installations, Equipment or Machinery Whose Use Presents a High Degree of Danger]

[Text] On the basis of Article 4 of Council of Ministers Decree No 400/1981 on the establishment of regulations on the use and maintenance of installations, equipment and machinery, the strengthening of order and work discipline in units with open flames or with installations whose use involves a high degree of danger, as supplemented by Council of State No 16/1982, the Council of Ministers of the Socialist Republic of Romania resolves:

Article 1--Units with open flames or those which have installations, equipment or machinery whose use involves a high degree of danger, such as combines, enterprises, factories, plants, sections, sectors, workshops or similar production units which have such equipment which is subject to the provisions of Council of State Decree No 400/1981 are specified in annexes 1-78 which are an integral part of this decision. [Footnote] The annexes are being transmitted to the institutions concerned by the General Secretariat of the Council of Ministers.

Article 2--If there are changes in the conditions which have caused the units and subunits to be included in the annexes to the present decree or in their name, address or subordination, the ministries, the other central organs, the executive committees of the peoples councils of the counties and of Bucharest Municipality, with the approval of the Ministry of Technical-Material Supply and Control of the Management of Fixed Assets and the Ministry of Labor, will immediately present corresponding proposals for modifications to the Council of Ministers.

Article 3--Council of Ministers Decision No 211/1981 specifying units with open flames or with installations, equipment or machinery whose use presents a high degree of danger is abrogated.

Council of Ministers of the Socialist Republic of Romania
Prime minister, Ilie Verdet

Bucharest, 21 January 1982
No 6

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MARCH 15, 1982

